



CIVIL VOICES ON A GLOBAL STAGE

HIVOS POLICY PAPER 2002

Hivos

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3

The Hague, March 2002

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1 INTRODUCTION

reformulation of Hivos' vision and policy ...

1. In 1988 Hivos published its general policy paper 'Full Participation: A Question of Power', a title that in popular speech quickly transformed into 'Access to Power'. Since then, the world and the context of international co-operation have significantly changed, both on a global scale and in The Netherlands. For some time, Hivos has felt the need to reformulate its vision and policy, to place them in the context of today, and to explore its ambitions and perspectives for the near future. An additional stimulus to embark on this process in 2001 was the restructuring of the Dutch Co-financing Programme that – financially and in terms of policy framework – forms the foundation of Hivos' activities.

... related to changes in its surroundings; maintaining its political analysis ...

2. Hivos' vision on the root causes of poverty and inequality has not fundamentally changed since 'Access to Power'. The ideas reflected in that document still form the basis of its thinking: a need for the 'voice' of poor and marginalised people in decision-making processes that determine their lives and opportunities. Be it in the surroundings of their homes, in political circles at national level, or in the international arena. What did change over the last decade are Hivos' policies and programmes. At an organisational level, this process was driven by Hivos' increased expertise and implementation capacity; externally, it was triggered by the world-wide changes in economic, political and cultural processes and international relations, demanding rethinking of the ways of addressing poverty and inequality.

... leading to a shift in focus from a Southern to a global perspective ...

3. In this new policy paper, Hivos indicates how it positions itself in this changed - and changing - perspective and what this means for the direction of its activities. The paper reflects a shift in focus of Hivos' policy from an emphasis mainly on activities in the South, to a more balanced range of interrelated activities in the South & East and the North, both internationally and in The Netherlands. This shift is not due to an abrupt or recent change of policy, but is the result of the process of programme development of the past years. As such, the paper stands for both continuity and innovation, two aspects of 'quality' Hivos feels comfortable with. As innovation also implies room for the unforeseen, Hivos prefers to keep some space and rather indicate the main direction and contours of its strategy than going into a high level of detail. Other documents will fulfil the need of operationalisation and specification.

... in an interactive process with many stakeholders

4. The making of this policy paper has taken roughly one year and has involved many internal and external stakeholders in an intensive process of discussion. All Hivos' staff in The Hague, Bangalore, Harare and San José have contributed to the final result, as have Hivos' Supervisory Board and Board of Advisers, a selection of partner organisations, and some external experts. Throughout, the possibilities of ICT have been used as much as possible, in order to make it an interactive process.

2 CONTEXT

2.1 Globalisation

globalisation creates threats and opportunities ...

... and has major effects on all spheres of life

states lose power to the global market

international agencies do not yet balance the interests of rich and poor

1. Globalisation is no new phenomenon: global connections and relations of interdependence have existed for ages. What is new about today's globalisation is its omnipresence and its considerable impact on international relations and on the lives of individual people: politically, economically and culturally, with both positive and negative outcomes. Economic globalisation offers new opportunities for low-income countries to participate in the world's economy, with a potential of raising the standard of living of (parts of) their population. But globalisation has also accentuated existing problems of poverty and inequality world-wide.

The globalisation of culture with its dominance of western norms and images may be negatively labelled as McDonaldisation, but on the other hand the communication tools facilitating this process also offer chances to become part of the global community and to exert influence on political processes. Hivos acknowledges the threats globalisation holds for the marginalised, the vulnerable. Yet Hivos also sees the opportunities and countervailing powers globalisation evokes and wants to make use of them in realising Hivos' aim of a more free, fair and sustainable world.

2. What is meant by the term 'globalisation'? For Hivos it is the combined effect of a number of interrelated global processes in the economic, political, social and cultural domain - processes of an overwhelming speed that affect almost all aspects of life.

In the last decade of the past century the increasing influence of free market ideology combined with the revolution in information and communication technology (ICT) triggered an enormous increase in international transactions in capital, goods, labour, services, information and images. Markets and political structures are deeply affected, as are the values and beliefs of people.

3. So far, the globalisation process has diminished the ability and even the jurisdiction of states to shape their national policies and economy. Capital, companies and institutional investors move around the world, often avoiding the boundaries and regulations of states and democratic control, in search of the most profitable environments. Concern has been growing about the so-called 'democratic deficit': the lack of influence on, and democratic control of, global economic processes and financial markets by elected bodies and the apparent powerlessness of politics in the face of major world problems. There is concern too about the diminishing belief of people in the abilities of their states and their governments to represent and protect them.

4. The international institutions are the fora where decision-making at a global level could - and should - lead to regulation and a more just and sustainable distribution of the world's resources and development opportunities. Politically, the United Nations and its agencies should compensate for the limitations of individual states. In the past, the UN's room to manoeuvre has often been limited by conflicting interests of Member States. However, the events of September 11, 2001 have led to a renewed global awareness of the necessity of an international forum, where collective, global interests can be served. This development offers new potential for the UN to reinforce its role.

In the economic and monetary arena the IMF, The World Bank and the WTO are theoretically

in the position to regulate international markets in such a way that the economic opportunities of low income countries would be greatly enhanced. Such changes in international economic policies would dwarf the impact of all current development aid. However, the aims and efforts of the northern states in the field of development co-operation are strikingly void of coherence. They tend to protect their own economic interests, leaving little room for the weaker players on the market.

*globalisation triggers
a new awareness....*

5. But there is more: the tensions between the forces of globalisation and the experiences of people subject to their impact, have led to a renewed political awareness and generate a strong desire for human agency. Discontent with the negative effects of globalisation is being voiced world-wide: uncontrolled economic development does no justice to local and regional differences, is culturally and gender biased and leads to increasing socio-economic injustice, exclusion and to a loss of self-esteem for parts of the world population.

In the northern countries, issues of globalisation affecting the local situation - such as environmental degradation, bio-industry, migration and growing numbers of refugees coming to richer countries - now occupy a permanent place in the political debate.

*....and creates networks
and new alliances*

6. Development organisations, women's organisations, environmental organisations and human rights organisations are increasingly recognising the common aspects of their agenda's and the relation with world-wide inequality. This has resulted in new alliances between these civil actors - both within and between the South & East and the North - and in a new impulse to political activism.

ICT plays an essential role in these processes. It not only facilitates global finance and export-oriented business, but also the exchange of information and contacts between people world-wide: between producers and consumers, between human rights activists and between young people of different backgrounds. ICT easily crosses boundaries of time and distance, enabling ordinary people to reach many others at once - no matter where they are and at minimal costs. As some governments struggle, largely in vain, to constrain these new liberties, activists from all over the world are making the most of their new ways of communication, creating networks and influencing (inter)national political agendas.

*diversity versus global
uniformity*

7. Though globalisation seems to generate uniformity and homogenisation (McWorld), the responses from different people and communities to similar global pressures turn out to be diverse and often inventive. Globalisation in general causes a dichotomy in economic and social respect, but the cultural effects are far more mixed and pluralistic. These varying and unpredictable responses to globalisation of citizens and organisations are a strong countervailing force against the emergence of a one-sided global order.

*international
conferences as political
instruments*

8. International conferences and international treaties may be considered as political products of globalisation: they have gained in political significance and seem to have more impact than they used to have. Governments are using them to demonstrate their political profile and aspirations. In the North as well as in the South & East, governments can no longer get away with inadequate and failing national policies or with a lack of political commitment to internationally agreed goals. Back home they will be monitored and challenged by critical NGOs, who enjoy the support of international alliances. And alert members of parliament have new tools for their debate.

International conferences also serve as meeting points with the media, which turns these gatherings into excellent platforms to protest against the dominance of economic interests in decision-making, 'one-fits-all' socio-economic approaches, the acceptance of large social

and ecological costs of unregulated economic growth and double standards in the application of standards of democracy, human rights and gender equality.

*globalisation
catalyses
transformation*

Hivos:
*make it work for the
poor and the excluded*

9. Globalisation has generated its own countervailing forces and in doing so, it catalyses transformation. Globalisation processes are open-ended, variable and negotiable. They can be challenged in politics and by individual and collective reactions. The dynamics and experiences of globalisation give rise to a sense of human interdependence, which may serve as a foundation for the effective affirmation of human dignity and human rights world-wide and for resisting the excesses of globalisation itself. It may lead to new forms of social and political identity – reaching across class, regional and internal ethnic lines of division, and across international boundaries.
10. It is this vision on globalisation processes which inspires Hivos. It follows on naturally from Hivos' approach up till now, working at national and international levels for a more just world order, linking up with and supporting people and organisations that dare to oppose dominant forces. The challenge is to make today's globalisation processes - and the international actors influencing their direction and outcome - work for the poor and the excluded: to make effective use of the potential of a period of transformation and involve a world community which is better informed and more engaged than ever.

2.2 Changing roles of state, market and civil society

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*dynamic relations and
changing positions*

*western societies:
a state with checks and
balances*

*de-colonised states:
accountability often
neglected*

1. Within societies, the state, market and civil society are continuously interacting. Positions of dominance among the three actors change according to the political context and according to the time and place of action. Civil society is the domain where Hivos has its roots and finds its partners and alliances. In order to understand the dynamics within and around civil society, Hivos regards it as essential to look into the roles and position of state and market.
2. In the western social-democratic societies the state has long been considered as the guardian-in-chief of its citizens' well-being. The context was a social welfare state with active participation of citizens and social organisations, a system of parliamentary democracy, delegation of powers and a traditionally regulated accountability. The market was generally seen as a domain in itself, generating economic growth that facilitated the improvement of the standard of living, and needing state regulation in order to prevent capitalist excesses.
3. During the times of de-colonisation this system of government was more or less duplicated in many newly independent states in the South & East. However, mainly the formal parts of parliamentary democracy, like the electoral system, were copied. The related system of delegation and of separation of powers and its mechanisms of accountability were often largely omitted or poorly maintained.
In parts of the world that had a longer history of political independence - like Latin America, parts of Asia and the socialist states - other forms of governance developed, with varying degrees of democracy. At international level, the western democratic model was applied to the United Nations, where all nations are equal and - paraphrasing Orwell - even more equal if they are powerful.

*political and financial
crises in many countries*

4. In most of the non-western societies it became clear that the western political system did not automatically work. The developing states of the South & East, often starting from a colonial past, were confronted with a lack of economic and social infrastructure, underdeveloped human capital and financial dependency. They acquired debts very quickly and could not fulfil the needs and expectations of their citizens, nor could they participate in the international market and politics on their own terms. Corruption, military coups and ethnic conflict did not exactly help the new democracies to prosper, while those in power often did.

*de-regularisation and
privatisation, making
room for the market*

5. During the last decades of the past century these crises, along with a global economic recession, led to fundamental changes in the relationship between nation states, international institutions and the private sector. The paradigms of privatisation and deregulation - both focused at creating room for the market and private entrepreneurship, and cut-backs on public expenditure - dominated the political debate. The IMF and The World Bank formulated their 'structural adjustment' policies for those countries in the South & East and ex-communist countries that were in need of financial support.

*the dilemmas
of structural adjustment*

6. In these countries, the policies of structural adjustment, though judged necessary to create sound macroeconomic and financial surroundings, led to crumbling basic social services and a further weakening of the state machinery. Social development and basic social services like health care and education - usually considered to be a responsibility of the state - became more and more the realm of NGOs and religious organisations. Civil society actors saw themselves confronted with a dilemma: by providing basic social services they were making it easy for the state to minimise its responsibility, while the dependence on foreign aid increased. However, a failure to do so would only perpetuate the urgent need of poor people for the most basic necessities of life. Calls were made for 'structural adjustment with a human face'.

*good governance
as an answer...*

7. And so the aftermath of the structural adjustment policies caused the political pendulum to swing to the other side: nowadays, even the International Financial Institutions (IFIs) stress the importance of human development and human capital. In looking for a new balance between the responsibilities of market and government the notion of 'good governance' started appearing on agendas. It implies a more active, but mainly facilitating role for the state, coupled with the requirement of being transparent and accountable to its citizens. Such a state will protect the rights of its citizens, enable the market to function and leave the necessary room for the dynamics of civil society.

*...implying an active
role for civil society...*

8. At the level of governance, international processes prove to have a major impact on local situations. International agendas influence and sometimes even supersede national agendas. The ever expanding EU-agenda is a case in point. The market has become a dominant force in the international arena and is hard to control, partly due to conflicting interests between northern countries.

Both tendencies call for a strong and active civil society, no longer targeted at just (counter)balancing the power of the state, but also the power of the (international) market. In a globalised world, civil society has a new, major role to play in power structures at different levels.

... leading to the concept of 'new governance'

the state: one of the essential forces in development

the market: a variety of actors, some reaching out to civil society

civil society: more than NGOs and diverse in character

9. In this process the concept of 'good governance' has been supplemented by the concept of 'new governance'. New governance refers to the pressure NGOs and their international networks exert on states, IFIs and the private sector in order to force them to take into account the values and interests of a broader range of stakeholders of their policies. This should result in socially and morally justifiable choices in favour of development. Over the last decades, civil society organisations all over the world have grown in number, in professionalism, in international and inter-sectoral contacts, in impact. A strong example has been set by the women's movement: international feminist linkages and lobby have been highly conducive to more awareness of world-wide gender inequality and policy changes both at the international and the national level. The same goes for the international environmental movement.
10. What do these changed positions of states, market actors, international institutions and civil society mean for the strategies of those who seek a more just world order? To begin with, the state may be losing influence in some respects but it is still an important actor. Alongside the increased power of multinational companies and financial markets there are more democratic governments than twenty years ago. The politics of nation states – both in the North and the South & East - do make a difference. The state ought to be a powerful guardian of democracy and it still has strong means to foster social and economic development. Nation states also influence international processes and decision-making by their foreign policy. So, lobbying national governments remains necessary and worthwhile.
11. The market is not just one actor: there is a huge variety in production processes and trade at local and international levels, and in the role of the actors involved such as producers, consumers, enterprises, financial institutions and trade unions. Not all commercial institutions behave in the same way: influenced by actions of civil society organisations and an increasingly critical public opinion, companies tend to take their so-called 'corporate social responsibility' increasingly serious. Company shareholders, and individual savers and investors play an important role: the demand for socially just and ecologically sound investments has increased enormously. Civil society organisations have a role to play in lobbying the private sector and (inter)national policies, in order to influence the quality and outcome of economic processes, among other things by regulation and standard setting.
12. Civil society is not a single concept either. Civil society is more than the assembled group of NGOs. It is the domain where social movements and civil organisations of all kinds become organised, formally and informally, representing diverse and sometimes contradictory social and political interests. The differentiation within civil society is enormous, not only in form and size, but also in goals, methods and support basis. A civil society organisation is not necessarily 'good' or worthy of support: fundamentalist groups are as much part of civil society as human rights organisations. However, Hivos uses the term 'civil society' in its positive connotation: as a positive force in society, characterised by pluralism, democratic orientation, based on and pursuing civic values, and political participation. Civil society organisations in the South & East and international civil society organisations are important actors in decision-making processes, because they often represent people who otherwise would not have a voice. They also play a crucial role in the achievement of the objectives of northern donor organisations.

Hivos:
an actor in global civil society with a variety of alliances

- Hivos takes its own position within this field of actors. It considers itself to be an actor in a global civil society, supporting and seeking alliances with other like-minded actors world-wide, striving for the same goals. It is actively seeking new types of alliances, both within civil society and in the public and market domain, and does not confine itself to the development or NGO sector. Hivos therefore prefers to use the term 'international co-operation' rather than 'development co-operation', which suggests an approach and positioning which is too limited.

2.3 Development co-operation

development co-operation: still a notion and a reality

- Though Hivos prefers to define itself as an actor in international co-operation, the notion of 'development co-operation' is still a public and political reality. In the perception of others and administratively it is the domain that Hivos belongs to. Politically, development co-operation is the arena where the rights and interests of the world's poor and marginalised can - and should - be advocated without bias. Enough reason to elaborate.

shrinking importance of aid, but it remains crucial for Africa and LDCs

- Development co-operation has lost ground during the last decade. The international target is still set at 0.7% of the GNP, but in reality that percentage has dropped to an average of 0.26% among the 5 highest spending donor countries (in 2000). Only the three Scandinavian countries, Luxembourg and The Netherlands (0.8%) meet the international target. Although some important donors are increasing their budget, the overall trend is a standstill. At the same time the investment of private capital - especially in middle-income countries - is on the increase. The shrinking importance of aid at macro level obscures the increasing dependence on international aid, particularly in the least developed countries (LDCs), of which 32 in Africa (= 66,6%). Despite UN conferences and donor pledges, the LDCs are still being pushed into the margins of the global economy. For them aid is a lifeline.

international agreements improve the quality of aid

- Just as important as the quantity of aid is its quality. One way of judging the quality of aid is by the number (or better: the lack) of accompanying conditions: unconditional aid can act as a catalyst, it can trigger development. For the quality of aid the international UN-conferences of the last decades - Rio, Vienna, Cairo, Copenhagen, Beijing and Kyoto - have been important. The international agreements that were drafted there, show a shift from a welfare-based to a rights-based approach and define international targets for poverty reduction and sustainable development. Most governments have signed these agreements and are politically committed to their implementation.

millennium goals as part of a broader political agenda

- The so-called 'Millennium Development Goals', as set out by the UN, are international development goals that have acquired broad international support. The number of people living in extreme poverty should be halved by 2015. Most of the goals are related to issues of income, health and education. Two of them are more political as they address, quite explicitly, the northern governments: they must ensure environmental sustainability and must commit themselves to create a global partnership for development. These goals are part of a much broader international agenda. Development targets cannot be looked upon in political or cultural isolation: in order to reach them, stringent measures are necessary in the fields of international trade relations, access to northern markets, debt relief, the quality of governance in developing countries as well as countries in the North, governance by international bodies, climate change, regulation of intellectual rights, biodiversity, etc. This is the agenda to be influenced by national and international civil society organisations. This is the agenda that inspires Hivos and its partners.

PRSPs: planning instruments, often top-down and uniform

Dutch development co-operation culturally rooted, receiving public support...

...reflecting segments of society, and above all showing continuity

NGOs account for a significant part of Dutch aid

Hivos: enthusiastic about CFP opportunities

5. IFIs, OECD and UN are stressing the importance of good governance and human investments. This should result in Poverty Reduction Strategy Papers (PRSPs), to be drafted by southern governments with participation of civil society, that can serve as frameworks for (governmental) donor co-ordination. PRSPs are once again defining a separate domain of development co-operation. One may wonder whether this can be called progress. Given the character of the instrument, the process is largely top-down and still directed by The World Bank and, at a national level, by the government. Hivos values the ownership idea behind the PRSP processes, but it questions the uniformity of the approach and the often undemocratic form of the process, as indeed do many of Hivos' partners.
6. The trends and issues which have been portrayed in this chapter can quite easily be identified in Dutch development co-operation policy. The Netherlands is an active follower of the international trends and it sometimes takes initiatives, together with like-minded countries. Dutch society has long been interested in international relations and issues. As a small country, ties to the outside world have always been of eminent importance for the survival and welfare of The Netherlands. Though self-interest and economic necessity lie at the heart of this attitude, it reaches much further. Dutch society abounds with civil and political interest in international phenomena and relations, including human rights and development. The UN is popular and The Netherlands willingly complies with its international obligations, giving additional donations to a number of special UN funds. It is against this background that Dutch development co-operation still receives a lot of public support, despite the recurring debates questioning the efficiency and effectiveness of the aid instrument.
7. The level of private donations to aid in The Netherlands is amongst the highest in the world and is not diminishing. There are many private initiatives going on, carried forward by a variety of actors from the domains of market, local government and civil society. Although successive governments each sported their own brand of development aid, continuity has prevailed in the long run. Changes go step-by-step, most of the time in a dialogue with the actors concerned. In the Dutch aid portfolio various segments of society have their specific points of entry. In comparison with other European countries, the market-related part of the aid budget is relatively small, and so is the bilateral part of the budget. An important part of the budget is allocated to multilateral organisations from the UN-family and The World Bank-family, and, to a lesser degree, to the EU.
8. Non-governmental organisations traditionally play an important role in Dutch aid. Up to 20% of the budget is being spent on direct NGO-subsidies and on NGO project and programme support under the umbrella of bilateral aid. The Co-Financing Programme (CFP) - structured along the principles of delegation, professionalisation and society-based pluriformity is the leading NGO-programme. It accounts for 11% of the budget.
9. The CFP – Hivos' major source of funding - has recently been restructured. Quality-based competition is a new element, and lobbying in the North is now considered part of the programme. The restyled CFP encompasses a number of small-scale activities rooted in Dutch society, it stimulates co-operation between civil actors and it rewards taking risks. Hivos remains enthusiastic about the unique policy contents of the CFP. All in all, the new CFP creates opportunities as well as challenges for Hivos.

3 VISION

3.1 Hivos' profile

identity and vision based on humanist values...

- 1 Hivos' core values are based on humanist values which are shared by millions of people world-wide, although most of them would not call themselves 'humanists'. Fundamental to Hivos' identity and vision are:
 - human dignity and the right to self-determination of every woman and man;
 - abhorrence of dogmatism and authoritarian systems;
 - attention to the material as well as the non-material aspects of life;
 - the importance of freedom of expression, diversity of visions and pluralism;
 - the interdependence of people and the need for democratic systems in order to ensure justice;
 - the responsibility of every individual in shaping his/her life as well as society, and the right to meaningful social participation;
 - respect for people's cultural and social identity.
2. Hivos seeks to practise these values in its contacts with partner organisations and other relations, and within its own organisation. It looks for partners and staff who share the same social and political values and objectives. In the Hivos' policy the role of humanism is an implicit one: Hivos' vision on humanism is broad and pragmatic and many other factors and experiences have also shaped its policy over the years.

... which are - in an implicit way - reflected in policy choices

3.2 Hivos' history and development

Hivos: secular and pragmatic; refraining from duplicating others

1. The conditions that led to the foundation of Hivos, in 1968, shaped its policy choices, as did a number of practical and circumstantial factors in the course of the years. At the time of its inception, development co-operation was overtly paternalistic and heavily dominated by church-related organisations. The founders and supporters of Hivos had humanist and political (social-democratic) backgrounds, so the organisation's approach was secular and pragmatic from the beginning. And there was no wish to do what was already being done by others, who were mainly active in the field of basic needs (health and education).
2. Hivos has never been involved in implementation. From its start Hivos has supported local organisations that represent the local population who can and should determine the direction of their own 'development'.
3. Economic activities and credit have been part of Hivos' portfolio from the beginning. Its small starting capital - of which only the interest could be used for activities - combined with its non-charitable approach, formed a natural basis for this policy. A loan fund was part of Hivos' activities from the start.
4. Being a small, private organisation, without a 'natural' network and support base in developing countries, Hivos relied on a personal network of contacts. Initially, these were strongest in Latin-America, where the socio-political situation offered opportunities for Hivos' approach, based on principles of local ownership and self-determination. At a later stage, comparable developments in South-Africa made an involvement of Hivos in this region a logical choice.

not an implementing agency

issuing credit right from its start

a strong personal network in Latin America

MISSION

Hivos is a non-governmental organisation, rooted in The Netherlands and guided by humanist values, that wants to contribute to a free, fair and sustainable world where citizens, women and men, have equal access to resources, opportunities and markets and can participate actively and equally in decision-making processes that determine their lives, their society and their future.

Hivos' basic commitment is to poor and marginalised people - and their organisations - in countries of the global South and East, and Eastern Europe. A sustainable improvement of their situation is the ultimate benchmark for the work and efforts of Hivos. The empowerment of women in order to achieve gender equality is a primary directive in Hivos' policy.

To that end Hivos offers financial and political support for civil organisations and initiatives that share Hivos' goals. In addition to funding, Hivos is networking, lobbying and sharing knowledge in the international arena as well as in The Netherlands.

Hivos relates to a diversity of actors in civil society, and seeks its alliances in different domains (economy, culture, human rights, gender equality and environment) and in different hemispheres. In The Netherlands, in Europe and world-wide it joins forces with like-minded organisations that share the same goals.

WORKING VALUES

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- Hivos is driven by ideals and implements them in a professional and efficient way.
- Hivos is inspired by the power of diversity: it recognises the importance and value of a plurality and diversity of actors, approaches and contexts.
- Hivos considers itself part of civil society, notwithstanding the predominantly public origin of its funding and the value it attaches to good relations with the Dutch government.
- Hivos wants to be open and accountable to its constituencies and to its public and private financiers.
- Hivos values the driving force and inspiration of innovation, it creates room for the new and the unknown, and takes calculated risks.
- Hivos cares about the quality of its work and its relationships; striving to be a learning organisation it has organised its quality systems, it is eager to realise improvements and it is open to criticism.
- Hivos is aware that its performance is key to its existence, and that the people working at and collaborating with Hivos are crucial in creating these results.

*developing a political
and human rights
focus ...*

*...and concentrating its
activities*

Hivos today:
*niches in credit and
culture, sexual and
minority rights, and ICT*

5. Over the years, the experiences and contacts in these politically dynamic environments – India and Indonesia are other examples - led to an increasingly political and ‘human rights’ focus of Hivos’ policy.
6. The same conditions - small budget and limited network – led to choices for small-scale programmes, executed by local organisations, a concentration on a limited number of countries and – at a later stage – the establishment of locally-based Regional Offices.
7. In 1978, Hivos joined the Co-Financing Programme (CFP) of the Dutch Ministry of Development Co-operation. During the last decade, the collaboration with the other co-financing agencies led to greater co-ordination with regard to intervention areas and (sectoral) policy development. In the same period, the wish to articulate the specific character and ‘added value’ of Hivos’ approach resulted in programme development in the domains of credit, culture and arts, people living with HIV/Aids, people who are being discriminated on the basis of their sexual orientation and, more recently, ICT: themes very compatible with Hivos’ humanist foundation and its vision on the material and non-material aspects of development.

3.3 Lessons learned

*social movements,
long-term commitments,
but also innovation*

1. Hivos seeks to learn from its history. These lessons are based on its own experiences and on the outcome of more or less objective analysis, such as research and evaluations. They also reflect the accumulated wisdom of society, subjectively translated by Hivos to its own domain. Some key elements of Hivos’ vision and strategy have proven their validity again and again. The following are the main ones:
 - the commitment to emancipation processes that are initiated and steered by the people directly concerned. In concrete terms, this results in support for social movements, people’s organisations, activist organisations;
 - to support processes of change over long periods of time, with flexibility and innovation, in order to be an effective, trustworthy, accountable and inspiring donor and partner;
 - the potential and power of ideas and of committed individuals as catalysts of change.
2. An important lesson - and a pivotal element in Hivos’ previous policy document ‘Access to Power’ (1988) – was called: ‘from project approach to programme approach to institutional approach’, a slogan that expressed the limitations of working only at micro-level and the importance of political rooting of the interests of the marginalised.
3. Implementation of the ‘Access to Power’ policies along with the (GOM) Impact Analysis (1991) taught Hivos:
 - vision and commitment are important and indispensable assets of both partner organisations and Hivos itself, but they cannot replace the need to deliver and to be efficient. The necessity to define and measure output and effects, and to become even more professional, became clear;
 - not to overestimate the political and economic importance and impact of development co-operation, or indeed the Co-Financing Programme in particular.

*from project
to programme to
institutional approach*

*necessity for alliances
outside the
development sector*

*Hivos: actively playing
an intermediary role,
linking different levels*

*growing inequalities ...
and new opportunities
to fight them*

*poverty and
marginalisation: caused
by unequal power
relations*

*gender inequality is a
violation of women's
rights*

4. The shrinking importance of development co-operation as a separate domain, along with the need for expertise and networking, stimulated Hivos:

- to invest in relations outside development co-operation proper, and to define its sectoral domains- many of which cross the boundaries of the development sector;
- to search for and establish new alliances: nationally and later on internationally as well;
- to increase its activities in sector-related lobby.

The diminishing importance of development co-operation at international level does not imply that it is meaningless at the national level. The experiences with processes of change in South Africa, Chile, Central America, Indonesia, Bosnia and Zimbabwe taught Hivos (and others) that in specific situations development co-operation does have an added value, notably in supporting critical actors in these change processes. Civil society organisations, popular and political movements played a crucial role in facilitating, catalysing and mobilising these processes. Looking back, Hivos is proud to have been one of the 'sponsors'.

5. The importance of an international focus for effective poverty reduction and the growing opportunities to work at the international level stimulated Hivos to extend its role. Not only being a player in civil society in South & East but also internationally and in The Netherlands. Hivos - with its extensive global partnerships - is in a unique position to play a role as intermediary, in linking actors at different levels of global society and securing the input and representation of the South & East in international lobby activities.

3.4 Poverty, inequality and change

1. Globalisation as we know it manifests itself in world-wide political and economic processes. At a micro-level its social and cultural impact is considerable, while it tends to escape democratic control. As a consequence, the existing unequal opportunities for economic, social and cultural development between and within countries are becoming even more unequal. However, opportunities for world-wide contact and communication have also grown and the varied responses to globalisation processes lead to greater diversity and new options for influencing global processes.
2. Since its previous policy paper 'Access to Power' (1988) Hivos' vision on poverty in its broadest sense has not really changed: injustice, poverty, gender inequality as well as the marginalisation and exclusion of large groups of the world population, are basically caused by unequal power relations at all levels of society: from political and economic relations at the international level to personal relations at individual and household levels. These unequal power relations determine – directly or indirectly – which interests are being represented, which voices are being heard and who is in the position to make claims in decision-making processes. The outcome perpetuates unequal access and unequal distribution of material and non-material means and resources, including rights and opportunities. The very people negatively affected by the outcome of these decision-making processes are only rarely participating or represented in them; and if they are, their opinion does not count equally. It is a vicious circle.
3. One of the most universal forms of inequality manifests itself in unequal power relations between men and women. As a result, women are generally poorer than men, women have less control over their own lives and they have to cope with more work and responsibilities, including unpaid care work, than men. The fact that women are under-represented in key decision-making processes and that their visions and interests are not equally taken into

account, profoundly affects the lives of individual women (and men) and the society as a whole. Inequality between men and women violates the rights of women, hampers development and maintains and reinforces processes of impoverishment. Structural improvement of the position of women requires changes in gender relations.

rights-based approach

4. Poverty and marginalisation mean that people are denied internationally accepted human rights. At various international conferences, states have committed themselves, individually and collectively, to ensure the fulfilment of the rights and entitlements of all people affected by their actions and policies, or by the lack of them. The 'human rights approach' to development (Human Development Report 2000) means that governments and social institutions bear an active responsibility in this respect - and that civil society organisations hold their governments accountable to honour these commitments. Exercising and observing people's rights effectively finds its basis in their full participation in decision-making processes and is anchored in and protected by the law and independent and functioning judicial systems. Civil society plays an essential role in both the realisation of democratic processes and the monitoring of their quality, and in holding those in power accountable, at the national as well as the international level.

access to and control over natural resources crucial for poor people

5. The unequal access to and control over natural resources in the world negatively affect the standard of living and development opportunities of poor people and the future of the world as a whole. Short-term economic interests, population pressure and other factors lead to an ongoing non-sustainable use of natural resources world-wide, and an increasingly unequal distribution of access, use and benefits of natural resources between the industrialised world and less developed countries, and between rich and poor people. Again, the people most affected by environmental degradation usually lack influence on environmental and economic policies.

the need to change the very structures and mechanisms of decision-making

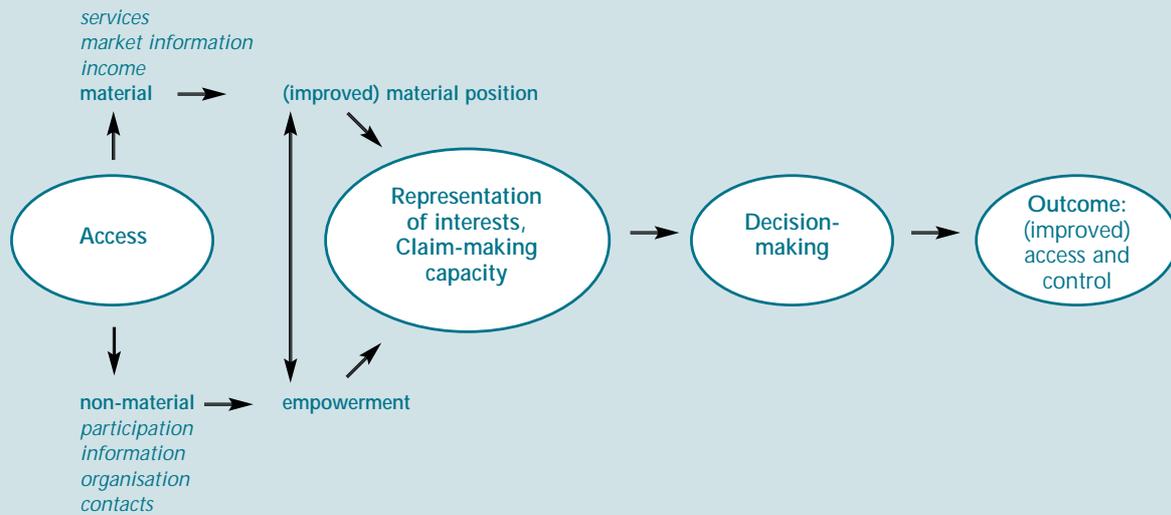
6. Self-determined development and reduction of poverty and injustice can never be sustainable or structural if the processes which produce and sustain structural inequalities between people and between countries remain untouched. The reason for tackling these processes is not only to change their outcome in favour of poor or marginalised people, but also to change the very mechanisms that lie at the heart of them and are blocking the way to just, inclusive and democratic decision-making.

As human development and a sustainable and fair use of natural resources are closely interlinked, decision-making processes are conditioned by and should take place within the perspective and exigencies of sustainable development. Within Hivos' policy, sustainable development stands for human development that is socially just, equally fair to women and men, economically viable and ecologically sound.

change is not a linear process ... and small initiatives can make a difference

7. Striving to achieve structural changes in the power dynamics of decision-making processes means participating actively and strategically in processes which are dynamic, complex and unpredictable. Change is not a linear process. And history and experience have taught that processes of change - and their outcomes - cannot be planned for and controlled as much as is often assumed. However, change 'is happening' continuously. It can be provoked and stimulated, and its direction can be influenced. Change can be achieved by long-term processes of mobilising countervailing forces through the (self-)organisation of people, capacity building, seeking allies, networking and lobby. That is one way. Yet change can also be achieved by small, meaningful initiatives, that can act as catalysts and trigger changes with a relatively large impact. These actions are often initiated by non-conformist, visionary and highly motivated individuals, with a keen eye for opportunities and great charisma that inspires others.

THE CYCLE OF ACCESS AND DECISION-MAKING



Explaining the cycle:

Access

- Access to material resources (income, services) leads to improvement of people's material position (direct poverty alleviation)
- Access to non-material resources (participation, information, contacts) leads to the improvement of people's capacities, 'voice', self-esteem, etc.

The improvement of people's material and non-material positions has a mutually beneficial effect: a better material position supports an empowerment process; more capacities and information often lead to a better use of the possibilities for improvement of people's material position.

Representation

A better material and non-material position is conducive to a better representation of people's interests in decision-making processes, at all levels of society: from household and local community level to the international level. People can represent their own interests, or intermediaries can represent their views on their behalf, such as self-organisations, elected members of representative bodies, trade unions, non-governmental organisations or activist groups. For the quality of representation the accountability of intermediaries is crucial.

Decision-making

Decisions are made in all human and institutional relations at all levels of society, formally as well as informally. Decision-making processes at all levels of society are power-related processes. The outcome of the process is determined by those who participate directly or indirectly; the importance attached (by other participants) to the interests they represent; their formal and informal status (hierarchy, money, expertise, moral status, etc.); the extent to which the participants succeed in convincing or allying with others; and by their negotiating skills and their means of exerting pressure.

Outcome

The outcomes of decision-making processes are seldom equally beneficial to all parties: some benefit more than others, depending on their relative 'weight'. Benefitting more means more access to, and control over, (non)material resources. And the cycle of access > representation > decision-making > access ... recommences. The more just the representation of different interests in the decision-making process is and the more equal the position of the participants, the more just the outcome is likely to be.

4 POLICY

4.1 Overall goal and approach

*inclusive
decision-making for a
just and sustainable
world*

Hivos' ultimate goal

*addressing issues
of access,
representation and
decision-making*

*need for change
in the North*

*civil society
building, economy
and sustainable
development*

1. Hivos' assumption is that more inclusive and transparent decision-making processes – at national and international level - will lead to more just outcomes of those processes for poor and marginalised people and to a more sustainable development of the world as a whole. To Hivos, inclusive decision-making means that the interests of all people involved and affected are being represented and taken into account, including minority interests and the responsibility for collective goods like natural resources.
2. Therefore, Hivos' ultimate goal is to contribute to a democratic, pluriform world society where all people – women and men – have equal rights and opportunities to participate in decision-making processes determining their lives, and where justice and sustainable development are ensured. Both justice and sustainable development cannot be achieved without gender equality, and have different dimensions - social, political, economic, ecological, and cultural - that need to be addressed coherently.
3. To achieve its overall goal, Hivos – with and through its partners and alliances – is addressing the cycle of access > representation > decision-making > access in all its stages:
 - access: increasing access of poor and marginalised people to material and non-material resources, markets, and related services; and supporting (self-)organisation to this end;
 - representation: capacity and organisation building in order to improve direct and indirect representation of their interests and claim-making capacity; supporting member-based and intermediary organisations actually representing and lobbying for interests of poor and marginalised people; institutional development, linking and networking in order to reinforce the quality and impact of representation;
 - decision-making: improving the conditions for and quality of decision-making processes; and lobby and advocacy (influencing actors in decision-making) with regard to specific issues of interest to poor or marginalised people.
4. Issues of poverty and development cannot be separated from global processes and need to be addressed at international levels as well. Change in the South & East cannot be achieved without change in the North. Hivos sees itself, its partner organisations and other organisations it is co-operating with as actors in global (civil) society. To address international dimensions of poverty and inequality effectively, demands an active participation in coalitions and networks of like-minded actors, in the South & East as well as in the North. More than before, Hivos is to focus its activities on influencing the policies of international institutions, the Dutch government and the European Union, that have an impact in the South & East. Hivos considers its international contacts and partner network in the South & East as an essential asset and driving force for this policy.
5. Over the years, Hivos has specialised in two main policy domains. Civil society building (see 4.2) basically focuses on the reinforcement of, and conditions for, inclusive and democratic decision-making. In the case of the second policy domain, economy and sustainable development (see 4.3), the focus is on the economic aspects of development within the perspective of social and ecological sustainability. Both domains are clearly interlinked: they are complementary as well as mutually conditional in achieving justice and development

opportunities for poor and marginalised people. Goals have been defined for the two policy domains - goals which are further articulated in Hivos' sectoral and regional policies. As Hivos aims to address unequal gender relations at all levels of its policy, gender equality objectives have been integrated in both policy domains.

Hivos:
*looking for niches
 in order to make a
 difference*

6. In implementing its policy choices and strategies Hivos aims to be innovative and to make the most of new opportunities. Being a relatively small actor and wanting to make a difference, Hivos looks for niches in the broad field of international co-operation: specific issues or themes which it considers to be of more than average relevance for development processes, offer opportunities for innovation of strategies, and fit in with its profile, values and expertise. As a part of its programme, Hivos supports small initiatives that have the potential to act as triggers for change processes.

4.2 Civil society building

MAIN GOAL:

To reinforce the participation of poor and marginalised women and men in decision-making processes and the effective representation of their interests.

- improved institutional conditions for and quality of democratic processes:
 - > increased capacity of (in)formal organisations that represent the interests of poor and marginalised women and men and that are capable of influencing (actors in) decision-making;
 - > increased existence and quality of institutional structures for representation and lobby;
 - > improved legal basis for just and democratic state and social structures;
 - > increased accountability of the state and transparency of political decision-making;
- increased capacity of poor and marginalised women and men to participate in decision-making processes at all levels of society;
- improved conditions for critical reflection on society, freedom of expression and a culture of tolerance and human rights;
- increased empowerment of women and improved conditions for gender equality at all levels of society.

*institutionalisation of
 interests of
 marginalised groups*

1. The vicious circle of poverty and exclusion will not be broken as long as poor and marginalised people do not have equal access to material and non-material resources and to decision-making processes. This applies especially to women, minority groups and people marginalised on the basis of race, class, caste, sexual orientation, ethnicity, religion, or because they are stigmatised for having HIV/Aids. Realising a sustainable improvement of the direct and indirect representation of their interests demands the institutionalisation and political rooting of those interests in (democratic) social and political structures and processes.

organising for change

2. Institutionalisation takes place through a process of organisational and institutional development:
 - people organising themselves to pursue shared interests and aspirations,
 - the development of horizontal and vertical relations between like-minded groups and organisations at different levels of society,
 - the collective expression of their claims, and
 - the embedding of their activities and organisations in a movement aiming to influence decision-making bodies.

Civil society is the domain in which social movements and civil organisations of all kinds become organised, formally and informally, representing many diverse and sometimes contradictory social interests (see 2.2).

*civil society:
a crucial political
(f)actor*

3. An active civil society is a prerequisite for a democratic process where the interests of minority groups, poor people, women and other marginalised people are represented in a just and structural way. Other requirements are independent and critical media and political structures which are transparent, where decision-making bodies are accountable to all people concerned and where mechanisms of checks and balances are functioning. Civil society organisations do not only play a role in representing particular interests. They also actively influence the quality of political processes, question political practices, set the agenda for the public debate, mobilise and influence the public opinion and stimulate a broad participation and involvement of citizens. Over the past few decades, international civil society has become increasingly active and effective in influencing the international policy agenda and its implementation, by lobbying UN Conferences and other international meetings, forging new world-wide alliances and mobilising an international support base. Conversely, the outcomes of international conferences on social issues, like Copenhagen, Beijing, Cairo and Vienna, offer a strong basis for civil society organisations to lobby national governments and international institutions, and critically follow their policies.

*all governments need
critical feedback*

4. In addition to civil society, two other actors are involved in (political) decision-making processes: the state and the private sector. Decision-making takes place within these three domains and between them, resulting in socio-political and socio-economic changes. Hivos' vision on the role of the state is that it is the responsibility of governments to care for and to protect all their citizens equally, to guarantee justice and an enabling environment where all individuals, organisations and institutions can express themselves and can interact - and all of this within the broader context of democracy and human rights. Other actors, civil society organisations in particular, should monitor, inspire and advise state institutions to fulfil this task of accountable governance. Critical feedback is necessary for any government, no matter how democratic, to check the power of the state and to maintain democratic dynamics and interaction with its citizens. Therefore, civil society is always Hivos' first port of call for influencing socio-political processes. This does not exclude support for activities of state actors, provided they are contributing to democratic quality. Examples of the latter are support for fair electoral processes, human rights commissions and capacity-building of female members of parliament or other governmental bodies.

*arts and culture play a
specific role in shaping
society*

5. Based on the vision that arts and culture play an essential role in the development of a democratic and pluriform society, Hivos has given this domain a specific place in its civil society building policy. Artistic activities contribute to individual and collective identity and self-esteem and create space for, and give shape to, people's ideals and aspirations. Freedom of expression, communication and a diversity of visions on society are qualities of, and conditions for, democracy. Under political oppression, performing and other arts often serve as channels for criticism, awareness raising and igniting resistance. Furthermore, forms of art are a medium for world-wide communication with a strong potential for crossing barriers of language, distance, background and other differences between people.

no support for delivery of basic social services without political change perspective

6. Hivos' support for civil society organisations that share Hivos' goals and values is focused on three interrelated objectives:

- supporting the specific group(s) and objectives the organisations represent,
- strengthening civil society as an essential force in society, and
- influencing state and market actors.

Hivos' ultimate goal is a political one, aimed at increased participation, representation and influence of disadvantaged people in decision-making processes. Consequently, Hivos prefers to support civil society organisations which aim explicitly at bringing about social and political change. Again, the consequence is that Hivos does not support civil society organisations that concentrate on (just) the delivery of basic social services. In Hivos' vision, that is the responsibility of governments.

private sector actors looking for sustainability

7. Hivos does not limit its support to civil society organisations. It also co-operates with private sector organisations that are conscious of their socio-political role and impact and seek co-operation with civil society actors in order to achieve more sustainable development. Examples of such private sector actors supported by Hivos are ethical banks and fair trade organisations.

Hivos: an actor in international civil society

8. Next to its support for civil society organisations at the national level in the South & East, Hivos supports international civil society by its funding of and networking with its international partner organisations, mostly lobby and network organisations. In addition to these partner organisation programmes, Hivos considers itself a civil society actor in its own right: internationally, in Europe and in The Netherlands. Linking up with (international) partners, networks and like-minded organisations, or on its own initiative, Hivos joins and feeds the public debate and uses its experiences to influence public opinion and political decision-making.

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4.3 Economy and sustainable development

MAIN GOAL:

To improve the economic position of poor and marginalised women and men in a sustainable way.

- improved access to income opportunities and to income-related services, economic resources and infrastructure;
- improved access to local and (inter)national markets;
- improved quality of production processes with regard to their ecological and social sustainability (including gender equality).

non-sustainable production: a serious threat for people and natural resources ...

1. Economic growth alone does not lead to poverty reduction. On the contrary, the social and environmental costs of unregulated economic growth have negative effects on the living conditions of poor people. What is more, economic globalisation is accompanied by a growing 'informalisation' of economies in countries in the South & East, increasing the vulnerability of poor people even more.

The economic growth of the last decades has largely been based on non-sustainable production in industry as well as in the primary sector. This has exhausted the world's natural resource base and has resulted in a destruction of ecosystems, a seriously impaired natural regenerative and buffering capacity, and a decline in genetic diversity.

... therefore: economic growth 'under conditions'

2. Hivos' policy of sustainable development aims at supporting forms of economically viable production and trade that are socially just and ecologically sound. They should offer opportunities and benefits to low income and marginalised members of society and to women in particular. The social dimension of sustainability relates to issues of access and control over resources and benefits, to gender equality issues, and to human rights issues such as labour conditions, child labour, and health. The ecological dimension relates to the sustainable management of natural resources, including the maintenance of biodiversity. In short: economic growth 'under conditions': with a maximum of benefits and a minimum of trade-offs for poor people and the environment.

access to income opportunities and improved quality of production processes

3. Within its sustainable development policy Hivos is focusing on three interrelated domains:

- access of small-scale producers and entrepreneurs (F/M) to income opportunities, economic resources and infrastructure;
- access to local and (inter)national markets; and
- the quality of production processes.

Sustainable development is a broad domain, linking economic, ecological and social goals. The focus on these three domains amidst a wide range of alternatives is based on the strengths and expertise Hivos has developed over the years, and on considerations of relevance and effectiveness, bearing in mind that it is a relatively small actor.

access to credit and market information for small-scale entrepreneurs

4. The weak economic position of small-scale producers and entrepreneurs (F/M) in the South & East is maintained by a lack of access to resources such as credit, market information and training, lack of organisation, and lack of market access at the local, national, regional or the international level. Formal banks are not keen on providing credit to poor people - women, informal sector workers and landless people in particular. Hivos therefore supports organisations offering financial services or training and advisory services to small producers and entrepreneurs, producers and business organisations, and organisations facilitating access to market information by use of ICT.

a call for international regulation and standard setting

5. In commodity markets and the international chains of labour-intensive production on which most poor countries depend, the distribution of revenue and decision-making power is extremely unequal. Hivos focuses its activities on production chains that are important for small producers and entrepreneurs in the South & East, with the goal of improving their transparency and the process and product quality. A fairer distribution of revenue, improved social conditions for workers, and a sustainable use of natural resources call for regulation and standard setting at the international level. Standard setting processes should be democratic, transparent and non-discriminatory and should respect ownership and regional variations based on cultural and ecological differences. Organic agriculture is one of the production chains with regard to which Hivos pursues its objectives of access to markets and decision-making for small-scale producers, as well as the social and environmental quality of the production process.

civil society pressure leads to responses from market actors

6. A dynamic lobby is going on in this field both at the international level and in The Netherlands. Many civil society initiatives, stimulated by the UNCED Conference (1995) and the ILO Declaration on Fundamental Principles and Rights at Work (1998), are putting increasing pressure on companies to ensure acceptable labour and environmental conditions of production. Fair and organic trade channels, codes of conduct and social and environmental labels have been developed. The link with globalisation and poverty, and issues such as

Economy

The objective of the sector policy is to improve income opportunities for poor people, especially women; mainly by expanding and improving their access to markets and to financial services (e.g. savings, credit, insurance). Guiding principles in the economic policy are financial viability and social and environmental quality in economic production processes.

Three categories of partner organisations are supported:

- financial institutions targeting small-scale producers and entrepreneurs;
- producers' and intermediary organisations focusing at sustainable production;
- organisations and networks active in the field of lobby, training, advice and information services, focusing at the integration of the ecological dimension and social and economic needs and interests of poor people.

HTF

The Hivos-Triodos Fund (HTF) is set up in 1994 as a joint initiative of Hivos and the Triodos Bank. The HTF combines Hivos' development expertise with the banking expertise of the Triodos Bank. The aim of the fund is to provide loans and equity capital to organisations in the South & East and in South Eastern Europe who provide access to financial services to poor people.

Arts & Culture

The objective of the sector policy is to foster and contribute to the development of democratic and pluriform societies by supporting initiatives in the arts and cultural sector that reinforce the pluriformity of visions and critical reflection on society, notions of identity and self-esteem, and (inter)cultural communication and exchange. Supported are independent and innovative initiatives in film, literature, performing arts and visual arts, in the areas of:

- productions initiated by local artists;
- local (cultural) infrastructure, e.g. education, production facilities, distribution activities, and professional organisations;
- promotion and distribution of cultural producers/productions;
- South-South exchange between artists and cultural organisations.

Exchanges between cultural organisations and the use of ICT are important strategies in promoting intercultural learning and understanding among artists as well as among different audiences.

Gender, women and development

The objective of the sector policy is to promote the emancipation and empowerment of women in order to achieve gender equality at all levels of society. Empowerment is operationalised in five interrelated dimensions: material well-being, access to resources and opportunities, self-esteem and equal rights, participation and decision-making, control over resources and benefits and self-determination.

Implementation is based on a three track strategy:

- support for women's organisations aiming to strengthen the economic, social, political, legal and cultural rights and position of women and their participation in decision-making processes. Special attention goes to organisational strengthening and institutional development of women's organisations in order to enhance their effectiveness;
- support for the mainstreaming of gender equality objectives and strategies into the internal and external policy and programmes of mixed partner organisations;
- support for the mainstreaming of gender equality objectives and strategies into the other Hivos sectoral policy domains, because gender equality is a cross-cutting objective.

property rights and genetic engineering, are being discussed. Growing numbers of market actors are conscious of their socio-political role and impact and value the sustainability of their activities. They are willing to co-operate with civil society actors in order to explore together the possibilities of combining commercial as well as less commercial (social, ecological, cultural) interests. Hivos has a tradition of co-operation with market actors such as ethical banks, credit institutions and self-organisations of producers, and over the last years has intensified its activities in this field.

Hivos: lobby for more sustainable policies in the North

7. Sustainable development calls for major changes in the policies and practices of market actors and in the economic, agricultural and environmental policies of northern governments. The key to the realisation of these changes is the support of conscious, motivated and well informed citizens/consumers. ICT has become a useful tool to raise people's awareness about the present low quality of production processes, better alternatives and adverse national policies. Linking its expertise, and activities and contacts at different levels, Hivos plays an active role in lobby activities in The Netherlands and internationally.

4.4 Sectoral policies

from sectoral specialisation ...

1. Over the last decade, Hivos has developed sectoral policies in five domains:

- Economy
- Arts & Culture
- Gender/ Women and development
- Human rights & Aids
- Environment & Sustainable development.

There were two reasons for a sectoral approach: first of all, the wish to concentrate Hivos' means and efforts in a limited number of policy domains in order to be more effective and to develop a distinct programme profile. Secondly, it was necessary to respond to critical needs and problems related to poverty and development, such as gender inequality and environmental degradation. This policy turned out to be effective: the sectoral framework has enabled Hivos to get a better grasp of the problems, to develop specific strategies and expertise and to expand its network in directions formerly beyond its scope.

... to an exploration of interfaces, ...

2. However, it has also become clear that the relationship between the sectors needs more attention in Hivos' policy. The sectoral domains are not of the same type and their objectives are interrelated in various ways. For instance, human rights lie at the foundation of Hivos' vision and programme, but it is also a sectoral domain, having its fields of action within civil society building (political and cultural rights) and economy & sustainable development (social and economic rights). Objectives of gender equality both transcend and cross-cut all other policy domains. And social and environmental objectives are conditioning the direction of Hivos' economic policy.

... to integration and greater consistency.

3. Hivos uses the interfaces between the sectoral policies to enhance the consistency and coherence of its programme, to 'mainstream' cross-cutting objectives, and to define its niches. All sectoral policies, each from its specific angle, contribute to the goals of one or both of Hivos' main policy domains: civil society building and economy and sustainable development. Operationalisation of Hivos' policy to regional and country level takes place in a process of contextual analysis and sectoral and inter-sectoral priority setting (see 7.3).

Human rights & Aids

The objective of the sector policy is to achieve respect for human rights, especially of poor and marginalised people, through the establishment and maintenance of basic democratic frameworks and by supporting participation of the poor and marginalised themselves in decision-making that affects their lives.

The support is given to human rights organisations, membership-organisations of poor and marginalised groups, trade unions, independent media and other relevant civil society organisations focusing their activities on:

- key democratic principles and processes, such as elections, constitutional reform, government accountability, freedom of expression, association and assembly, and adherence to the rule of law;
- the rights of specific groups of poor and marginalised people, especially people marginalised or discriminated against on the basis of caste, ethnicity or sexual orientation, and people living with HIV/Aids;
- addressing the underlying causes of human rights violations.

HIV/Aids

Hivos regards HIV/Aids as a human rights and development issue, exceeding the scope of health care.

Hivos supports organisations aiming to reinforce the human rights of people living with HIV/Aids and their full participation in society, and to influence (inter)national policies in order to achieve optimal information, prevention and care facilities in the South & East.

Environment & Sustainable development

The objective of the sector policy is to support sustainable development by reinforcing the sustainable management of natural resources, the sustainable management of natural or production system biodiversity, and the productive capacity of ecosystems. A major part of the policy focuses at the development of production processes that conserve, restore, or at least do not negatively affect the ecosystems stability and variety of genes and species, the diversity of biological processes, and important habitats.

Two categories of partner organisations are being supported:

- the environmental movement: organisations active in lobby, awareness-raising, research, environmental campaigns and environmental legislation;
- producers' organisations active in sustainable production processes, and service organisations in the field of technical information, improving market access, certification, etc.

strategies at different levels of intervention

4. In order to contribute in the most effective way to the realisation of the sectoral objectives, all sectors use a combined strategy at different levels of intervention:
 - support for organisations in the countries where Hivos is active,
 - support for international organisations that are networking and lobbying in the specific sectoral domain, and
 - lobby and campaigning by Hivos itself, internationally and in The Netherlands.

4.5 Partner organisations

dynamic partner network vital for effective donorship

1. For Hivos, as a donor organisation and an actor in global society committed to objectives of socio-political change, its partner network is of crucial importance. A dynamic network where money, knowledge, experiences, human capacity, vision, contacts and commitment are being exchanged and brought together in order to reach common goals. Relations are reciprocal and based on common interest. An aspect of most of these relationships is a cash flow, from and sometimes to Hivos. Hivos has links with a wide variety of organisations: civil society organisations and private sector organisations in the South & East, international issue-based network organisations in the North and in the South & East, Dutch knowledge-based lobby organisations, other Dutch and European funding organisations, et cetera. Many of these relationships are bilateral, but very often they are also multilateral as they belong to networks in which Hivos is involved.

co-operation beyond the 'development' sector

2. Hivos actively seeks co-operation with organisations outside the so-called 'development sector', in order to realise broad and effective alliances that can address the complex and multi-faced international problems of inequality. It also strives for coherence and synergy of activities at different levels. Ideally, activities and experiences of partners at the local level offer input for processes at the international level, and partners active at the international level have an added value for, and positive impact on, the achievement of goals of local partners.

local ownership, but clarity about Hivos' vision and agenda

3. From the start of its existence, Hivos' only mode of operation in the South & East has been to support local organisations and local people: they are the ones that can and should determine the direction of their 'development'. Nevertheless, Hivos does have its own vision, objectives and agenda: in its relationship with any partner Hivos is clear about these and both parties are free to choose whether they co-operate or not. Wherever visions are shared, the voice of people in the South & East - and their organisations - gives direction to Hivos' policy choices. Directly and indirectly Hivos supports the articulation of their vision and interests and the achievement of their goals.

social movements vital to Hivos' vision

4. Member-based organisations and social movements have a special place in Hivos' partner network. They form the most direct representation of the people living in situations of poverty and exclusion and are directly addressing the problems on the ground. Their work and ideas are an indispensable basis for international co-operation at all levels and Hivos wants its policies to be rooted in their vision and experiences.

accountability: an indispensable tool in the relation to partners

5. Legitimacy and top-down accountability are critical factors in the representation of visions and interests of people not able or not allowed to speak for themselves. Hivos seeks partner organisations that are convinced of the importance of downward accountability and that have committed themselves to practise it. Likewise, Hivos is committed to be accountable to its partners. Being a very important category of stakeholders, partner organisations have an interest in the directions taken by Hivos. Hivos wishes to be influenced by its partner organisations; it is open to comments and suggestions and actively consults with them on important issues of its policy.

5 STRATEGY

5.1 New perspectives

*ICT broadening
the international
horizon...*

*.....though still
dominated by the
richer countries*

*international
political lobby vital
to global justice*

*information and
knowledge as tools to
influence development*

1. The growing needs and opportunities for addressing international dimensions of poverty and inequality, and the rapid development of Information and Communication Technologies (ICT) have induced Hivos to gradually broaden its horizon towards further internationalisation and to review its range of activities. This has resulted in a further diversification of Hivos' core activities and the choice to invest more in lobbying – internationally and in The Netherlands - in knowledge sharing, and in ICT itself.
2. ICTs have the potential to open up unprecedented opportunities for developing countries and the vast majority of poor people around the world. There are opportunities to 'leapfrog' over certain stages of economic development, to improve education levels and to support actions for social justice and human rights. But despite these potential opportunities, current developments are moving in the opposite direction. Most developing countries lack essential conditions to take advantage of these new technologies and the 'owners' of ICT are predominantly big players from rich countries. They - not the poor - are setting the agenda and the standards, which leads to unequal access to political decision-making. In view of the potential of ICT for non-traditional and more self-controlled forms of development, Hivos supports a wide range of ICT-related activities. This policy will be further developed in the years to come.
3. Hivos has always supported the lobby and advocacy activities of partner organisations in the South & East and world-wide. However, lobbying in the global centres of economic and political power - all located in the North - is urgently required in order to realise goals of global justice and sustainability. Negotiations and decisions at this level have a major impact on the living conditions and opportunities of people in the South & East. Hivos considers itself part of the growing global civil movement that tries to influence opinion-forming and decision-making. Its role in this movement is both indirect – supporting its partners world-wide to voice their positions, as well as direct - voicing its own vision, based on its specialist knowledge and contacts, together with like-minded actors. In the choice of lobby issues Hivos links up with national and international civil and political agendas.
4. Access to information and knowledge is a major condition for marginalised people to influence the very processes that determine their lives. In a broader sense, access to information and knowledge are essential conditions for democracy. Knowledge is more than information: it is information 'processed' and coloured by experience, vision, context, culture, emotion and reflection. All knowledge is value-based, and 'mainstream' knowledge development is largely dominated by northern concepts and interests. Access to information, and access to alternative visions and communication networks – facilitated by ICT - offer opportunities for self-determined development.
Facilitating access to and exchanging knowledge has always been a part of Hivos' practice. Further development of knowledge sharing and investment in ICT tools are important for two reasons: ICT offers new opportunities, both technically and in programme development; and Hivos itself has new needs, as it puts more emphasis on strategies of lobby and linking & networking.

Hivos: embracing innovation and not afraid to experiment

5. Hivos has the explicit wish to be innovative in its activities and strategies. Not for the sake of innovation itself, but because it is part of its identity, and because it is essential for a small actor that wants to make a difference and likes to have a distinct profile. Innovation is seen as a continuous process of invention, experimentation and the adoption of new themes, products and approaches as long as they fit in Hivos' overall goal and strategy. Innovation should result in new themes and activities as well as in the raising of quality standards. Innovation power and learning capacities need a culture of knowledge sharing. To create such a culture will be one of Hivos' priorities in the coming years. In the allocation of its resources Hivos has always created room and flexible opportunities for new and sometimes risky initiatives, and it will continue to do so.

5.2 Core activities

Hivos is more than a funding organisation. Its core activities include – next to funding - linking and networking, lobby and knowledge sharing.

5.2.1 Funding

funding the right partners with the right procedures

1. Hivos provides financial resources to organisations world-wide to enable them to carry out their activities and, in doing so, achieve their specific objectives as well as the objectives of Hivos. The success of funding as a strategy is directly related to Hivos' ability to identify and select its partner organisations in such a way that the relationship is conducive to the realisation of the goals of both parties, and that the quality of the partner network is enhanced. Hivos strives to implement funding rules and procedures that enhance the specific activities, the impact, and the organisational development of recipient organisations. This means that Hivos deals quickly with funding requests, provides long-term and flexible funding, is willing to fund core costs of an organisation and is ready to take risks in funding new, untested initiatives.

5.2.2 Linking and networking

promoting networking at all levels

1. Hivos promotes and supports networking and exchanges between organisations world-wide, i.e. between organisations in the South & East, between organisations in South & East and North, and between organisations in the North. Networking and exchanges are of vital importance for organisations to enable them to break out of isolation, to learn from each other's experiences, to support each other and thereby increase and strengthen social organisation and movements.
As a global actor Hivos is well positioned to promote such networking: because of its own international contacts which cross many borders, its specialised sectoral organisation and its Regional Offices, and because it can provide necessary funding for network activities. Hivos stimulates the use of ICTs as a powerful resource for networking and global interaction.

5.2.3 Lobbying

lobbying based on profile, expertise and networks.....

1. Hivos' lobbying activities focus on the Dutch government, Dutch decision-makers, the Dutch public opinion, the EU, the IFIs and other international organisations. Both at home and abroad, two main domains can be distinguished: lobby in order to reinforce 'civil society' positions in international co-operation, and issue-based lobby related to Hivos' expertise.

Hivos is keen to lobby, provided its position is clear and acknowledged, and provided the effort is likely to have an added value. When choosing causes to lobby for, Hivos adheres to some basic principles:

- they should link up with Hivos' profile, expertise and partner network;
- they should respond to and be rooted in the needs, expertise and experiences of partner organisations; and
- the lobbying should be done in co-operation with others, if only to avoid duplication.

...directed at actors at the (inter)national level, in collaboration with others

2. When lobbying the WTO, the ILO and other international organisations, Hivos' joins forces with international partner organisations that share the same concerns. At EU level, Eurostep is Hivos' main lobby channel, as is Eurodad with regard to debt issues and IFI policies such as the PRSP process. Lobbying in The Netherlands is aimed at influencing Dutch governmental policies and national political processes. Recurring issues are the politics of international co-operation in general and, more specifically, questions of international relations and equal development opportunities in relation to the interests of the Dutch public and governmental policy. Lobbying partners in The Netherlands are, amongst others, the South/North Federation (ZNF), the GOM and issue-based civil society organisations.

... supported by educational activities in The Netherlands

3. Hivos is also involved in educational activities in The Netherlands:

- to reinforce the support base for international co-operation,
- to contribute to public awareness, and
- to stimulate critical reflection and debate on questions of just and sustainable development world-wide.

As far as content is concerned, educational activities usually focus on the same issues as Hivos' lobby activities.

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5.2.4 Knowledge sharing

knowledge as a key to development and to organisational quality...

1. Knowledge sharing is essential for two reasons. Access to and the exchange of information can offer opportunities for self-determined development to people who are normally excluded from sources of information on processes affecting their lives. Secondly, the effective exchange of knowledge within and between organisations improves their performance, prevents the wheel from being reinvented and failures from being repeated.

...and sharing of knowledge as a challenge

2. Knowledge sharing is to be an organisational and strategic priority for Hivos. Due to the domain of knowledge being virtually infinite, further delimitation is needed to make knowledge sharing feasible and effective. A first phase of exploration and experimentation will involve stocktaking of the potential and performance of existing tools. A start will be made with knowledge sharing on a limited number of lobby issues.

In the long run, Hivos wants to unlock its own knowledge in a more systematic way to the benefit of its broad range of partners, and create a platform where partners themselves (and other interested groups and individuals) can add and exchange information and knowledge and learn from experiences elsewhere.

5.3 Co-operation with partner organisations

*a transparent relation
with rights and
obligations*

1. Hivos refers to its relations as 'partners'. It expresses the commonality of interest and objectives as well as the distinct role of both parties. However, the word 'partner' is often used too easily. Hivos sees itself and its partner organisations as independent and autonomous organisations. They each have their own responsibilities and accountabilities in their own – local or national – contexts. Hivos strives after transparency and clarity regarding rights and obligations in its relationships, in order to minimise the negative effects of inequality. Not all partner relations are of the same intensity. In addition they are limited in time and there is never full equality of power. Financial connections imply dependencies. Like Hivos, most partner organisations cannot function without external funding. They need to manage their dependencies by attracting more than one donor or other sources of support, financially and otherwise.

*selection of the
'right' parts*

2. In order to be successful, Hivos must identify and select the 'right' partner organisations, in the sense that co-operation will lead to reaching the shared goals. Does a partner fit in Hivos' general, sectoral and geographical policy? Do they have the right qualities and the potential to become even better? Criteria of relevance, organisational quality and embedding in the institutional context go hand in hand. Conditions for Hivos' support for organisations are that:

- they have a clear vision on their role and objectives;
- they are sufficiently professional in their field of action;
- they can position themselves clearly in their own context;
- they are accountable to their stakeholders;
- they have a transparent internal structure; and
- their strategies are sufficiently creative to influence wider areas of social action.

Partner organisations must be effective and efficient. An effective organisation knows what it wants to achieve, is able to achieve it and is also able to assess the level of achievement. Being efficient means that the organisation has a clear picture of the costs of what it achieves – and that the costs are reasonable in their context. In assessing its partner organisations and applying quality standards, Hivos takes into consideration the differences in their size and capacity.

*recognition of
the potential of
individuals*

3. Hivos' network is primarily made up of organisations. However, Hivos acknowledges that inspired and inspiring individuals can make organisations tick, and that there are many inspiring individuals with good initiatives and great commitment who are not at all organisation based. Hivos supports such individuals because it recognises the innovative role they can play.

*project, programme or
organisational funding*

4. Hivos provides funds for specific activities (project funding), for programmes, or for the organisation as such. In that case, the organisation itself decides on the best use of the funds within the objectives agreed upon in the contract. Organisational funding is an expression of Hivos' confidence in the partner, following fruitful co-operation and proven quality of the organisation in earlier stages of the collaboration.

Hivos provides grant funding directly, and has created a special arrangement for the provision of credit-funding for economic activities.

*improving capacity by
external expertise*

5. Partner organisations need to develop their capacities. Organisational development and capacity building require an investment in time and resources. Often this will require the assistance of external expertise. Hivos' staff does not provide such support itself, but they can help partner organisations to identify needs for external support and sources of expertise. Hivos encourages partner organisations to budget for their capacity building and organisational development, and agrees to use its funds for this purpose.

Hivos:

10 years as a maximum, with exceptions for quality

6. Achieving sustainable results takes time. Long-term funding is a basic need of many partner organisations. Hivos is willing to provide such long-term funding, but not forever. At the start of an engagement Hivos explicitly states its willingness to commit itself to a period of funding, which in each particular case may be different, but has a maximum of 10 years, through subsequent contracts. The partner organisation is expected to prepare for the period after Hivos' funding. If the relationship is still thriving after ten years, an assessment is made to judge whether there are specific reasons for prolonging the co-operation. These may be the added value of the partner organisation and its programme in the local or international context, or its role in innovating developments.

5.4 Donor alliances

donor co-operation pays off in North and South

1. Although Hivos seeks more and more co-operation with organisations outside the development sector, it also has relationships with numerous colleague (donor) organisations. All of them are active in the same domain and some of them are guided by the same values as Hivos and/or share parts of its history. Hivos considers these parallels as tools that can strengthen Hivos' position vis-à-vis the public and politics, but also, somewhat differently, vis-à-vis the Southern partner organisations it is supporting and funding. For them, donor co-ordination is essential, in particular with a view to economising on their accounting and reporting efforts. Hivos actively promotes the subordination of individual donor requirements to collective needs.

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GOM platform vital to a civil society based CFP

2. There are two groups of colleague organisations that are of special importance to Hivos: the Dutch co-financing organisations, which since long form the GOM platform, and the rather new group of like-minded European organisations 'Alliance2015'. Hivos maintains an active relationship with both groups, for different reasons.

In the GOM platform a broad spectrum of different donor organisations, each with a large portfolio, and the Dutch government define the contents of the Cofinancing Programme - contents meaning policies and instruments, including evaluation. The political responsibility of the Minister for Development Co-operation goes unquestioned, but the stakeholders of the CFP are the Cofinancing agencies and their constituencies. A second important role for the GOM platform is to create a professional meeting place at different levels of policy formulation and implementation. A third role for the GOM platform is a political one: debating the importance of civil society-driven international co-operation and from that perspective assessing Dutch international politics. Hivos values the three GOM roles as essential for its professional work.

Alliance2015: Hivos' major European platform for co-ordination

- 3 Alliance2015 is to Hivos a major European platform of like-minded, secular donor organisations. The partner organisations adhere to the values of the UN declaration of Human Rights and are committed to the elimination of poverty and the empowerment of marginalised groups. Given this background, all the Alliance partners are inspired by the political meaning of the 2015 pledges (ref. par. 2.3), although the strengths and strategies of the partners are different.

In Alliance2015, organisations working in the humanitarian field and in the field of structural development combine their efforts at a practical level. The Alliance values the power of diversity. The partners come from different backgrounds, each with their own distinct national identity. Rather than becoming another homogeneous multinational organisation, the Alliance wants their strengths and differences to complement each other.

Hivos regards the Alliance as its major European platform for practical co-ordination and co-operation. Bilaterally, tripartite or Alliance-wide - all modalities count and can make a difference for Southern recipients and the northern funders. Hivos is committed to the success of the Alliance.

5.5 Regional Offices

decentralised approach leading to Regional Offices....

1. The establishment of Regional Offices was a logical consequence of the analysis and policy in 'Access to Power': Hivos wanted to reach out to partner organisations playing parts in social and political processes in their immediate and regional surroundings. Since the basic choices in Hivos' policy have not changed, the decentralised approach is still valid. Local presence in the form of Regional Offices with local staff helps to understand the local context and culture. Local offices also make co-operation with local partner organisations easier: they can contact Hivos more easily and hold it accountable by just walking in and discuss what is on their minds. Regional Offices sometimes play an active role in the local and regional civil society. In general, the experiences with Regional Offices are positive. They have facilitated adequate responses to changing socio-political situations and they have shown that they have added value for partner organisations.

...that today also provide a background for international lobby

2. The decentralisation policy of the past years might be counterbalanced by a number of recent developments:

- the increased importance of being active in the arena of international civil society;
- increased possibilities for being active in lobby and advocacy in Hivos' European surroundings;
- and the possibilities of ICT-driven communication, which might decrease the need for local presence.

However, these factors will not lead to a change in Hivos' decentralisation policy. Local presence can enhance South-North and South-South co-operation in a significant way, as the activities and contacts of the Regional Offices feed into international lobby and advocacy. The offices can also provide reality checks for abstract debates in the international arena.

Hivos:
continuing the RO formula in an adapted way

3. Hivos will consider the RO formula for other regions, while retaining a balance between Hivos in The Netherlands and its Regional Offices. The working modalities of Regional Offices will not be uniform and may differ according to regional needs and opportunities. The possibilities for co-operating with like-minded organisations, especially the Alliance2015 partners, also differs from office to office. New Regional Offices might be established in East-Africa and/or South-America. In addition, it is worthwhile to continue experimenting with new forms of locally-based structures.

6 RESULTS

6.1 Focus on results: expectations and limitations

being a small player in a field of many great actors ...

... makes it difficult to distinguish 'own' results

results set within the broad range of international development goals

results at different levels

1. Development co-operation exists as a consequence of the inability of mainstream political and market actors to address problems of global poverty and inequality effectively. However, decisions in the political and economic domain have a far greater impact on the reduction of poverty than development co-operation can ever have. The fact that development co-operation is a relatively small factor, has consequences for its strategies and the assessment of results:
 - if it aims for structural and sustainable results, development co-operation cannot work in isolation: it should operate within the perspective of influencing more powerful actors and political and economic processes at meso and macro level;
 - consequently, its results and impact will be partly indirect and heavily influenced by external factors;
 - in order to achieve results in this field of 'major players', development co-operation must look for unconventional strategies, which means taking risks and – inevitably – failures in addition to successes;
 - both the ambitions of development co-operation and the expectations regarding its impact should be realistic and proportionate to its scope and relative weight.
2. As a professional, dedicated organisation Hivos is committed to achieving results. At the same time it knows that it will often remain difficult, and sometimes even impossible, to attribute results to the activities of one particular partner or donor. Or, indeed, to assess political and social change at all. This does not mean that in such cases there are no results. Nor does it release Hivos of its basic responsibility to make results visible or at least plausible. The reasons for sticking to a result-oriented attitude are:
 - as a learning organisation, Hivos needs a systematic analysis of its results related to its objectives and strategies;
 - as a public organisation, Hivos wants to account for its efforts to its constituencies and financiers;
 - as an organisation dedicated to international co-operation, Hivos likes to feed the public debate with examples of success, but also with examples of dilemmas and unrealistic expectations.
3. Hivos assesses its results in relation to its objectives, set within the framework of internationally established development goals. A sustainable improvement in the situation of marginalised citizens as well as the effectiveness of their organisations remains the ultimate touchstone for results in the work and efforts of Hivos. The outcomes of the international UN conferences of the last decades have resulted in international targets for poverty reduction and sustainable development, such as the Millennium Development Goals to be attained in 2015, and other international goals in the field of human rights, gender equality and the democratic quality of governance. Hivos' goals and policy choices fit naturally within this broad framework, where they occupy a distinct corner. Hivos commits itself to the targets of these international conferences and agreements and is expecting the same from its partner organisations.
4. Results at different levels of operation are interrelated. Hivos is continuously working on making its policy more coherent: objectives and results at local level should fit in with, and contribute to, those at higher levels. The opposite is also true: reaching objectives at the international level should have a positive impact on the goals partner organisations at a local level are striving towards.

success rate

5. As the policies of its partner organisations often follow unbeaten tracks, Hivos considers its work a success if one third of the activities effectively contributed to the established objectives, if another third holds potential to achieve them within a reasonable time and if failures and disappointments are limited to the remaining third.

6.2 Internal quality and performance assessment

relation between Hivos' performance and results of partners

1. Hivos is aware that its performance - which largely coincides with the performances of its partner organisations - is the key to its very existence. Of course, there is a link between Hivos' organisational quality and performances, and the results of its partner organisations. First of all, Hivos has to identify the right partner organisations in the given circumstances. Secondly, Hivos contributes to the capacity and effectiveness of its partner organisations: directly by the services it delivers - financially, politically and through networking and knowledge sharing - but also indirectly, by the way it delivers those services.

audits and ISO-certificates

2. As a professional organisation Hivos takes full responsibility for its actions and performance. As a learning organisation it has organised its quality systems and it is anxious to realise improvements. Hivos has opted to be an ISO-certified organisation. The programme department of the Head Office received its ISO-certificate in 2000, the Regional Offices got them in 2001. A internationally chartered accountant audits Hivos' financial reporting and reporting systems annually. Similarly, Hivos demands audited annual reports from its partner organisations, to the extent that 75% of all Hivos' funds spent are officially audited.

agreement on expected results, justification afterwards

3. Hivos and its partner organisations like to have professional relationships. Therefore, result assessment is based on a system of agreement on objectives and expected results beforehand - in the contract - and justification afterwards. On Hivos' side, this implies trust in the quality and good judgement of the partner; on the partner's side, it means taking responsibility for, and being committed to, achieving these results. Both parties acknowledge the fact that - within the margins of the agreed objectives - civil society organisations need sufficient room to react adequately to a changing context.

the search for an effective monitoring and evaluation system

4. In consultation with its CFP colleagues - and within the framework of the CFP Quality system to be developed in the coming years - Hivos is reviewing and improving its system of monitoring and evaluation. The challenge is to develop a system that is effective and manageable and that responds to Hivos' needs and those of its various stakeholders. Apart from justifying the spending of funds, evaluation is meant to be a learning process and is meant to result in improved practices. Attribution and aggregation are internationally acknowledged problems in result assessment and reporting by donor organisations, they are inherent to the 'aid chain'. Considering this fact and the diversity of its 750 or so partner organisations and their context, Hivos does not (cl)aim to develop an M&E system which is all-embracing and that produces indisputable outcomes. It will focus on methods and indicators that are meaningful and manageable for its partner organisations and that contribute to learning processes of both partner organisations and Hivos itself. This implies:
 - investment in the capacity of partner organisations to improve and 'own' their own performance assessment systems;
 - the use of a sensible combination of quantitative and qualitative elements;
 - the acceptance of educated assumptions and a plausible degree of causality between interventions and results.

7 RESOURCES AND ORGANISATION

7.1 Organisational consequences

*continuity combined
with new policy
elements*

1. This Policy Paper is largely based on the wealth of Hivos' experiences since the publication of 'Access to Power', combined with new opportunities. Hivos' character and strengths are taken into account, as well as its position in international civil society. Although continuity is a significant feature of this policy memorandum, a number of new policy accents can be identified:
 - the wish to extend Hivos' work beyond funding, through lobbying, networking and knowledge sharing;
 - the increased importance of being active in the arena of international civil society, combined with more activities in Hivos' home surroundings;
 - the intention to strive for more coherence and synergy in the development of its sectoral policy domains;
 - the wish to be open to new initiatives and small activities.

This Policy Paper announces a continuation of Hivos' decentralisation policy, which could lead to an increase of the number of Regional Offices.

*balance between
centralisation and
decentralisation ...*

2. The trend towards centralisation and the trend towards decentralisation seem to counterbalance each other. The former will lead to additional tasks at Hivos' Head Office, while the latter will add to the tasks of the Regional Offices. For the Hivos organisation as a whole, both developments taken together illustrate a need to rearrange and - if possible - increase its staff capacities.

*...though new
policy accents may
lead to reallocation*

3. Just as necessary as the quantitative aspects, are some qualitative changes in Hivos' organisational set-up, coupled to a change in working culture. Communication, networking, policy expertise and knowledge sharing are some of the main issues. Most of the new developments centre around Hivos' policy domains and, to a lesser extent, around the geographical regions in which Hivos is working. The end result will be changes in the allocation of capacity and resources, first of all at Hivos Head Office, but also at its Regional Offices. A critical factor for success is expertise, combined with an outward-looking attitude and enthusiasm for the possibilities of ICT-driven communication. Hivos will adjust its organisation along these lines. In order to be the innovative organisation it likes to be, Hivos has to maintain and further stimulate the open culture of the organisation, a decentralised decision-making structure, and thinking beyond existing lines and structures.

7.2 Human resources

*staff: key to Hivos'
performance*

1. Hivos' performance depends greatly on the capacity and motivation of its staff. Hivos wants to ensure a stimulating and enabling working environment in order to facilitate optimal staff performance.

*new activities need
adequate staff capacity*

2. To increase Hivos' lobbying and linking activities, more staff time will be allocated to this task. The necessary skills and expertise of the staff need to be assessed and improved. Identifying, assessing, supporting and monitoring innovative activities is often very labour intensive. Hivos seeks to keep a balance between staff capacity invested in innovative activities and capacity needed for its 'regular' programme.

knowledge sharing as an essential attitude

3. Additional human resources are needed to facilitate the set-up of a knowledge sharing system. Staff members will need time to share their knowledge and experiences, to make use of the knowledge of others and to promote a culture of knowledge sharing. An improvement in communication and the exchange of knowledge within and between sectors, continental desks, Regional Offices and supporting desks is to be stimulated and facilitated. Knowledge sharing is just one component of a learning organisation. Other requirements for improving the organisations' performance and staff capacity are personal feedback, annual reviews, and the assessment, analysis and integration of results in the policy cycle.

7.3 Strategic planning framework

new: 'rolling' four year continental plans from 2003 onwards

1. Hivos' general and sector policies are formulated at the organisational level and apply to wherever Hivos is active, i.e. Africa, Asia, Latin America, Eastern Europe and the North. They are not specific for every different context. Up till now, Hivos has worked on the basis of Continental Plans in a five year cycle. From 2003 onwards, Hivos is to work with multi-annual Continental plans that coincide with Hivos' funding application to DGIS. The Continental plans will have a 'rolling' character, in the sense that the four year perspective will be annually updated and specified for the year to come.

continental plans provide the context for Hivos' policies and identify new opportunities

2. Continental plans provide the context needed for the implementation of Hivos' policies. Per continent, an analysis is made of the realities and trends in the countries and sub-regions concerned, in relation to relevant international developments. Policy choices like the beginning or the ending of intervention in a specific country will also be indicated in the Continental Plans. Continental plans indicate the opportunities for Hivos' involvement and the specific strategic choices made: sectoral priorities, choices of organisations and movements supported, and issues for international lobby. They include the objectives for the entire period, specified and operationalised for the year to come, as well as indicative financial allocations per sector and country, in line with centrally established continental allocations.

narrowing down programme choices

3. Programme choices at country level are made on the basis of:
 - an analysis of the context and the socio-political process;
 - the specific needs and opportunities within Hivos' sectoral policy domains;
 - other context specific constraints and opportunities;
 - Hivos' existing partner network; and – last but not least –
 - the question which actors in the local context are considered to be critical (strategic) actors for change.

continental consultations

4. Once every four years, Hivos meets with partner organisations, in each continent. During these consultations partner organisations articulate and exchange their visions and experiences, which contribute to the development of Hivos' policy and strategies.

7.4 Funding

Hivos: an emphasis on public funding

1. Hivos regards itself as a not-for-profit organisation rooted in and belonging to civil society. Hivos' mission and basic commitment is to poor and marginalised people – and their organisations - in countries of the South & East and – to a lesser extent - south-east Europe. In its policy choices, Hivos is first and foremost guided by its perception of the priorities and opportunities within its working areas and not by the priorities and (traditional) preferences of the private fundraising market.

This implies that for the major share of its funding Hivos wants to be dependent upon the public fundraising market. Hivos has made the choice to be an organisation belonging to the public domain. An 'active' dependency implies an open and active dialogue with the main actors on the public market: government and politics and - on the other side - leading civil society organisations. The latter are competitors and colleagues at the same time, which illustrates the narrow margins of competition and co-operation.

Hivos' strength on the Dutch public market...

2. On this public market, Hivos' 'unique selling points' are:
 - its openness, paired to its drive for quality;
 - its commitment to innovation, paired to its wish to keep room for small initiatives; and
 - the specific character of some of its sectoral domains (e.g. credit, culture, HIV/Aids, ICT and the rights of GLBT people).

The Dutch Cofinancing-Programme (CFP) enables Hivos to realise its preference for the public market. Though financed using taxpayers' money, the CFP is firmly rooted in Dutch society and based on a long and well-founded tradition of delegation to the acting parties.

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.... and on the European public market...

3. The EU Cofinancing Programme – to a certain extent resembling the Dutch CFP but still working on a traditional project basis - is the second public market place where Hivos obtains its funding. The different sectoral EU budget lines might become a third major source. To let that happen, co-operation with like-minded European sister organisations (re Alliance2015) is essential, as is an active position vis-à-vis Commission policies (and their implementation).

.. is supported by its 'unique selling points' on the private market

4. Its preference for the public market limits Hivos' room to manoeuvre on the private fundraising market. Hivos as a raiser of private funds must in no way interfere with Hivos as a channel for public funding of development co-operation. This means, for example, that in the area of more traditional private fundraising Hivos limits its actions to its humanist constituencies; and that it does not compete with like-minded CFP colleagues with a well-rooted fundraising portfolio.
Above all, it implies that Hivos looks for fundraising possibilities that support its public market 'unique selling points' in a creative way. A consortium-approach like Stop Aids Now is one example, the North-South Savings and Guarantee Account, which Hivos has developed with Triodos Bank, is another. In both examples the fundraising method supports Hivos' specific policy position in the sectoral domains.

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