

Foreword

Governments now recognise they cannot create development on their own. They are choosing new approaches, understanding their role is to create a conducive social, economic and political environment in which development may take place through a mixture of public and private initiatives.

Sustainable development, therefore, should be seen as a shared institutional responsibility of government and civil society. Civil society is a milieu in which empowerment takes place. It is a sort of arena in which people develop the capacity that will enable them to play a positive role in the economic and political choices that their societies will have to make.

The recognition of the need for collaboration between bilateral aid agencies and NGOs prompted the OECD Development Centre and the Canadian International Development Agency to undertake a joint research project in 1993. NGOs and Government: Stakeholders for Development is the title of a book which was published after a meeting reviewed the 13 case studies prepared at that time.

The present study – sponsored by the Development Centre – on Ireland is meant to be a follow up to that initial effort as Ireland was not included in the first group of case studies. The research was conducted by Ian Smillie for the Development Centre and the Irish NGO Trócaire.

The aim, as with all the others, is to contribute to the necessary dialogue between NGOs and governments on matters of common concern which follow from the uniqueness of the contribution that each may make to the development process.

The desirability for OECD governments to support NGOs appropriately is now generally recognised. Yet the role of NGOs in civil society and as development organisations in their own right has to be constantly protected in order to avoid the danger of NGOs becoming executing agencies or delivery mechanisms for official development assistance.



Jean Bonvin
President
OECD Development Centre



Justin Kilcullen
Director
Trócaire

Irish Development NGOs and Government: An OECD Case Study¹

■ *Ian Smillie*

The Irish NGO Community

Background

Ireland's international non-governmental outreach has its roots in the missionary movement which dates well back into the eighteenth century. It has perhaps deeper roots in the devastating famine which struck Ireland from 1845, the 150th anniversary of which was commemorated throughout the country in 1995. A 1995 Pastoral Letter of the Bishops of Ireland observed:

In the years following 1845, a million people died and millions emigrated... We need to draw lessons from our famine experience in a world which still knows famine and hunger. There is plenty, yet over 700 million people do not have enough to eat each day; 40 million people die annually from hunger and related diseases; one third of all African children are malnourished. Moreover, the presence of a sizeable Irish emigrant community, much of which arises from famine times, reminds us of refugees and displaced people in many parts of the world today.²

Although not as strong in relative terms as it was two or three decades ago, Irish missionary activity – which increasingly emphasises development work in addition to its pastoral outreach – is still very strong. In 1994 there were over 4000 Irish Catholic missionaries serving in 90 countries, representing 90 congregations of religious sisters, 34 societies of priests, 10 congregations of religious brothers, 21 Irish dioceses and two lay missionary organisations.

A 1992 NGO publication put the number of voluntary organisations at approximately 50,³ but the figure depends to a certain extent on the definition used. A 1992 directory listed 43 organisations involved in development education, and a further 21 groups involved in solidarity and campaigning work.

Many of these are very small, some operating entirely on a voluntary basis. Ireland's largest NGOs, however, are as large as those in almost any OECD member country, despite Ireland's relatively small population. Concern,⁴ founded in 1968, is the largest and fastest growing, with 1994 cash revenues of IR£31.3 million, an increase of 24 percent over the previous year. In recent years it has established offices in Britain and the US, and its private donor fundraising in these three countries represented approximately 45 percent of its total cash income. Trócaire, established by the Bishops of Ireland in 1973, recorded a 1994-5 income of IR£17.2 million, and Goal, established in 1977, recorded a total 1994 expenditure of IR£6.8 million.

A handful of larger "transnational" NGOs operate in Ireland, among them ActionAid, Christian Aid and Oxfam. World Vision, by far the largest fundraising NGO in the US, Canada, Australia and New Zealand, began operations in Ireland in the 1980s, but became the centre of controversy because of its child sponsorship funding base, and has not grown in Ireland as it has elsewhere.

Table 1: 1994 Sources of income of selected Irish NGOs, (IR£ '000)

	Irish				Total
	EU	Gov't	Public ⁵	Other	
Concern	3,529	3,806	13,491	24,552 ⁶	45,378
Trócaire	1,312	1,463	13,306	1,176	17,234
Goal	462	1,320	3,221	3,104	8,107
Oxfam Ireland	-	250	--	1,570 --	1,820
Self Help Dev'tment	--	585 --	293	44	922
Action Aid	86	-	738	10	841
World Vision	-	72	650	-	723

Source: *The Irish Times*, 22 November 1995

There are a variety of formal and informal NGO networks in Ireland. The Confederation of NGOs for Overseas Development (CONGOOD), founded in 1974, merged with the Irish National Assembly in 1994 to form Dóchas (Hope), a grouping of 22 NGOs aiming to help its members "speak with a single

voice on development issues", to elect a national delegate to the NGO Liaison Committee of the EU, to conduct research and to carry out development education activities. Dóchas and its predecessors have published a variety of material, including a *Guide to Development Education Resources-Activities in Ireland* (1992), and *75:25: Ireland in an Increasingly Unequal World* (1996). Dóchas takes adherence to its values and its code of conduct seriously, and in 1995 turned down applications for membership from two of Ireland's larger NGOs because their fundraising was based in one case on child sponsorship, and in the other on overly emotive emergency-based appeals.

Some Dóchas members represent a broader constituency of smaller organisations. The Irish Missionary Union (IMU), for example, represents over 80 church-based organisations. There are other networks that involve Dóchas members and non-Dóchas members. NODE, a Network Outreach in Development Education project, links a number of development education resource centres and NGOs around common themes, while DEFY - Development Education for Youth - is a partnership between a number of NGOs and youth organisations. The Network of Irish Environment and Development Organisations (NIEDO) issued a 1995 Directory, which included the names of 124 Irish organisations, ranging from Greenpeace and World Vision to Cuba Aid.

Regulation of NGOs and tax status

There is no charities' legislation in Ireland, but an official advisory group was established in 1996 to advise government on the establishment of charities legislation, and possibly a code of practice. In order to qualify for assistance from government, NGOs are required to register with the Revenue Commissioner for Charitable Status. This mechanism is regarded by some as rather permissive, and is only loosely administered. The possibility of a provision for making charitable donations tax deductible was mentioned in Irish Aid's 1993 Strategy Plan, but this was overtaken by a rather unique scheme to encourage greater philanthropy for international development: starting in 1995, all donations between IR£200 and IR£750 are permitted a 27 per cent refund by the Department of Finance.

This means that a donation of IR£200 to an NGO will result in a net value of IR£274, and a donation of IR£511 will be worth IR£700. There are several questions around the scheme. NGOs question whether the additional funds will or should be counted as part of official development assistance, and

subtracted from funds available through the co-financing scheme.⁷ It is also unclear what volume of new donations the scheme will attract. The bulk of Irish donors probably give less than £200 per annum. Will the scheme encourage higher levels of giving? Or will it actually yield very little in the way of new money? Because the scheme has been made available only to international development NGOs, there is pressure to expand it, and this would likely dilute the potential value for international development.⁸

Ireland's Official Development Assistance

Before 1975, Ireland's ODA was based almost entirely on mandatory contributions to multilateral organisations such as UN development agencies, and its development assistance image was derived primarily from the work of Irish missionaries and a handful of small NGOs. Following Ireland's entry into the European Community in 1973, official development assistance began to grow, and a formal bilateral aid programme was established within the Department of Foreign Affairs (DFA) in 1975.⁹

Throughout the 1980s, Ireland's ODA remained small, focusing heavily on multilateral agencies, and on sending technical assistance and volunteers. As a percentage of GNP, Irish Aid fell from 0.28 per cent in 1986 to 0.16 per cent in 1990 and again in 1992. Soon after the 1993 formation of a coalition government between Fianna Fáil and Labour, a new Strategy Plan, *Irish Aid: Consolidation and Growth* was released, outlining profound changes in the quantity and approach to official development assistance. It was announced that ODA would be returned to "a position of prominence in terms of international issues facing the Government" and that as a percentage of GNP, it would rise to 0.4 per cent by 1997, a projected increase from IR£54 million in 1993, to IR£135 million by 1997. While absolute growth continued as expected (an estimated IR£106m in 1996), Ireland's unexpectedly high GNP growth rate meant that the amount expressed as a percentage of GNP was lower than anticipated. The *Reality of Aid 1996* estimated the 1996 amount at 0.29% of GNP.

Much of the growth will be absorbed by relative increases in bilateral assistance, and by adding Ethiopia and Uganda to the four priority countries that have consumed most of Ireland's

bilateral assistance in the past – Tanzania, Zambia, Lesotho and Sudan. The 1993 *Strategy Plan* stated that “The first priority of Irish Aid is to provide assistance to poorer developing countries... to meet basic needs, particularly of the more disadvantaged... and to contribute to long term economic and social development... The objective of Irish Aid is to leave behind structures which enable our development partners to manage the future themselves.” The strategy also noted that “sustainable development is possible only when adequate attention is paid to the particular role of women in development and to environmental issues.”¹⁰

A joint Oireachtas (Parliamentary) Committee on Foreign Affairs was established, with a sub-committee on development cooperation. An independent body – the Irish Aid Advisory Committee – was also established to advise the Minister on broader issues relating to development assistance. Since 1994, the annual National Fora on Development Aid have brought together high level government officials, NGOs and others involved in international development to exchange views on the aid programme and on Ireland’s development policies.

Irish Aid is administered by the Development Cooperation Division (DCD) of the Department of Foreign Affairs. An Assistant Secretary is responsible to the Minister of State, and DCD is divided into four branches:

- Multilateral Institutions and Aid Policy;
- Bilateral Aid I: Southern, Eastern and Horn of Africa; NGO Co-financing Scheme;
- Bilateral Aid II: Other Countries, Emergency Aid, Refugees, Volunteers, Administration, Liaison with Advisory Committee;
- Audit and Evaluation Unit.

Table 2: Irish ODA, 1985-95

	1985	1993	1994	1995	1996
Total ODA (IR£m)	39.0	54.7	75.2	88.9	105.8
Administration	0.5	1.1	1.4	1.8	2.0
Bilateral	15.4	26.8	38.1	53.3	65.0
Multilateral	23.1	26.8	29.6	33.8	36.8
Tax deductibility scheme	—	—	—	—	2.0
ODA as % of GNP	0.25	0.19	0.24	0.27	0.29

Source: DFA (1995/96); O’Neill, 1995a; Reality of Aid 1996; 1995 and 1996 figures are estimates.

Irish Aid provides support to NGOs through several mechanisms. The most prominent to date is a co-financing

arrangement for development projects designed and managed by NGOs. Funding is made available for volunteers and other overseas workers through the Agency for Personal Service Overseas (APSO), and in recent years, increasing amounts of support have been available to NGOs for their work in emergencies. Government supports the development education work of NGOs, and has recently initiated a special budget line for human rights and democracy.

The NGO co-financing scheme

Irish Aid operates a co-financing mechanism (The NGO Co-Financing Scheme), providing grants for projects in health, education, water supply, sanitation, employment creation, agriculture and rural development. Until 1994, there was an upper limit of IR£50,000 per project, towards which Irish Aid would contribute up to 75 percent. The upper limit was raised that year to IR£75,000, although most projects tend to be much smaller. The average grant size in 1994 was approximately £14,000.

Although multi-year funding is not excluded, most projects have tended to be once-off efforts, with funding criteria placing a heavy emphasis on hardware, rather than software: wells, buildings, vehicles. The rationale for this is that recurrent costs should be met by the NGO, and that government support should be provided mainly for capital investments that are beyond the NGO's normal reach.

Submissions are made to Irish Aid for consideration at four meetings during the year. Decisions on grants are made by an NGO Co-Financing Committee, chaired by the Bilateral Aid Counsellor, and comprising senior Irish Aid officials, a representative of APSO and a representative of the Irish Aid Advisory Committee.

Table 3: NGO co-financing as % of ODA, (IR£ '000,000)

	ODA IR£	NGO Co- Financing IR£	As % of ODA
1992	40.3	1.7	4.2
1993	54.7	2.5	4.6
1994	75.2	4.0	5.3
1995 (Budget)	88.9	4.3	4.8
1996 (Budget)	105.8	5.4	

Source: DFA, O'Neill 1994, 1995a

In 1994 an experimental block grant mechanism was created for NGOs that “have demonstrated a significant track record in development projects and involvement in the Official Aid Programme”.¹¹ Currently available to Trócaire, Concern, Goal and Christian Aid, the block grant scheme seeks to reduce the amount of paper work required for the bigger agencies. Projects funded under the scheme were originally limited to a ceiling of IR£30,000, (though there has recently been some leeway up to to a maximum of IR£75,000) and the arrangement is annual, rather than multi-year. Organisations with a block grant arrangement have not been precluded from approaching Irish Aid for additional, once-off projects under the co-financing mechanism, although this may change from 1997 onwards.¹²

Although the biggest NGOs tend to take the lion’s share of the matching grant funds in most OECD countries, this is not the case in Ireland. The three largest agencies combined have never consumed more than a quarter of the fund, although their fundraising capacity would suggest a larger potential. Allocations in the early 1990s reveal no pattern, with projects approved only on the basis of the criteria at hand, rather than on any historical record.

The co-financing scheme was reviewed in late 1995/early 1996, and a number of changes are predicted. These included a possible extension of the block grant scheme to other organisations, the introduction of multi-year funding, and eligibility criteria for funding of “soft inputs” such as training, group formation and savings and credit schemes. Alongside this NGOs and government are looking at how self-reliance and sustainability factors can be incorporated into this new arrangement. Such are in line with the Irish government’s stated policy of promoting capacity building and local ownership of development projects.

Table 4: NGO co-financing scheme – share of the three largest NGOs (IR£ '000)

	1990	1991	1992	1993	1994	1995
Total	484	730	1,697	2,494	3,968	5,500
Concern	0	49	179	45	292	400
As % of Total	-	7%	11%	2%	7%	7%
Goal	34	15	130	87	203	455
As % of Total	7%	2%	8%	3%	5%	8%
Trócaire	19	117	66	284	490	563
As % of Total	4%	16%	4%	11%	12%	10%

Source: DFA and NGO records.

Overseas workers and volunteers

General

With 70 to 80 personnel-sending organisations, some of which are very small, Ireland's volunteer-sending efforts differ markedly from those of other OECD countries, in part because of the country's long tradition of missionary outreach. The first formalisation of Irish Aid was, in fact, the 1974 creation of APSO, a year before the start of the bilateral Irish Aid programme. APSO is an incorporated company receiving a grant-in-aid from the Department of Foreign Affairs. Its chair and board are appointed by the Minister for Foreign Affairs, and although it has charitable status and may receive donations, it is a semi-state body fully owned by the government.

Originally, APSO was to be a temporary phenomenon, an arms-length body that would handle the details of co-financing the many different NGO personnel-sending efforts. When the hoped-for consolidation of these efforts did not occur, APSO became a permanent organisation, and in addition to supporting Irish NGOs, began sending its own personnel in 1986.

The 1993 Strategy Plan aimed to expand APSO's scope of activity from approximately 440 volunteers in 1992, to 2,000 by 1997, and APSO has consequently received significant levels of additional support since 1993. In 1994-5 the organisation supported 1,143 assignments, and the number had risen to 1,247 by the end of October, 1995. The APSO budget is set to increase by 21% in 1996, representing 10% of the total aid budget.¹³ The target has been somewhat controversial within the NGO community, some of whom – although benefitting from it – see it as a supply-led effort that is in danger of sacrificing quality to quantity. As the programme expands, APSO itself may be having difficulty in matching qualified applicants to the types of requests received from host agencies, and the programme may peak at about 1,500, rather than the projected 2,000.¹⁴

In addition to its own direct assignments, APSO supported assignments arranged by 78 Irish NGOs in 1994-5. The largest individual NGO recipients of support were Concern (196 assignments), Goal (86 assignments), AWEPA (European Parliamentarians for Southern Africa – 54 assignments) and Trócaire (30 assignments).

APSO has recently consolidated its package of support to NGOs into a single all-inclusive rate of IR£460 per month for each worker. With this amount, the NGO is free to set (and

augment) its own package of support. Within the limits set by the DAC for aid recipient countries, there are no restrictions on where personnel may be sent, and increased amounts are available for individuals who extend their contracts, or who bring previous overseas experience to their assignment. In an effort to attract and keep more experienced people, APSO's own allowances range from a low of IR£300 per month for an individual with no prior overseas experience, to IR£880 for a person with eight years of experience.

In addition to its support for secular NGOs, APSO provides a kind of block grant to the Irish Missionary Union (IMU). In 1995, the IMU accounted for 232 assignments through 42 different bodies, or approximately 20 percent of APSO's total, and included both missionaries (on development rather than pastoral assignments) and lay personnel.

NGOs and mission organisations consume approximately 60 percent of the overall APSO budget. In 1994-5, 743 of the 1,143 assignments supported by APSO were managed by NGOs, rather than by APSO itself.

Returned development workers

Where APSO acts as a consolidator or "wholesaler" for NGOs at the sending end of the personnel spectrum, Comhlámh acts as a consolidator at the returning end of the spectrum. Established as a membership-based NGO in 1975, Comhlámh undertakes three types of work: it offers re-integration and counselling services to returning development workers, it provides employment advice, and it undertakes a programme of development education in Ireland. Comhlámh emphasises overseas development work as a serious professional commitment, working with employers to recognise its validity upon return, and working with returnees on longer-term development education efforts in Ireland. Although there is a high turnover in its membership, Comhlámh has been instrumental in setting up a vibrant network of development education workers and 17 development education centres around Ireland. Several of these have staff of their own and are now free-standing bodies.

Humanitarian assistance

As with other OECD member countries, Ireland's expenditure on emergency and humanitarian assistance has increased dramatically in recent years, with at least half of the government's expenditure being channelled through Irish NGOs, and more than one third through the three largest, Concern, Trócaire and Goal. Government contributions, however, are dwarfed by the public fundraising done by NGOs themselves. One estimate places the total emergency spending of the three largest NGOs in 1994 at IR£31.7 million, of which IR£29 million was raised from sources other than the Irish Government. This results in a remarkably high (and remarkably generous) figure of £10.57 per capita contributed by Ireland to emergencies that year.¹⁵ It should be noted, however, that the Rwanda crisis makes 1994 figures unusually high, and thus do not represent a trend.

Table 5: Government spending on humanitarian assistance, (IR£ '000)

	Total	3 Biggest NGOs ¹⁷	Other Irish NGOs	ICRC/ UNHCR	Other ¹⁶	% to NGOs
1985	1,229	222	601	406	0	67
1990	1,613	405	410	75	723	51
1992	1,815	367	413	510	525	43
1993	5,249	2,176	519	1,120	1,435	51
1994	7,804	2,908	1,423	1,072	2,401	56
1995	5,650	1,396	1,285	1,755	1,214	47

Source: O'Neill, 1995b, Irish Aid

Emergency spending has resulted in some major changes within the NGO community. Much of the recent growth in NGO fundraising has been a result of emergency appeals, and NGO programming has consequently changed as well, as has the relationship with Irish Aid. Government contributions to Concern for emergency spending increased from IR£192,000 in 1992, to IR£1.7 million in 1994, an increase of 876 per cent in two years. During the same period, contributions to Goal for emergencies increased by a factor of ten, and Trócaire's government emergency funding increased almost five-fold. More remarkable, however, organisations which spent very little on emergency assistance during the 1980s, were by 1994 devoting more than half their budgets to such interventions.

Table 6: 1994 Emergency expenditure: Concern, Trócaire, Goal, (IR£ '000,000)

	Total Expenditure	Emergency Expenditure	Irish Aid Contribution	Emergency As % of Total
Concern	45.0	23.0	1.683	51%
Trócaire	9.2	4.8	0.479	52% ¹⁸
Goal	6.8	3.9	0.746	57%

Source: O'Neill, 1995b.

Government contributions to NGOs for emergencies have so far been relatively free of constraints and criteria. Emergency spending is not as constrained by the hardware restrictions that guide the co-financing scheme, and in 1995 a separate Irish Aid budget line for rehabilitation assistance was established at IR£3.5 million. Expenditure has been made through Irish NGOs, international organisations and developing country governments.

No matching financial component is required by government on the part of the NGOs, however a contribution from the recipient NGO is required. This is not an issue in the case of the larger NGOs, whose spending far outstrips that of government, although there are concerns about the pace of expansion. Smaller NGOs, however, may have grown – or even come into existence – on the basis of government support, rather than on the basis of their ability to raise funds from the Irish public for emergencies (or, for that matter, for longer-term development).

Development education

Although Irish Aid has been supporting development education officially since 1985, small grants to NGOs and universities over the previous decade would also fall under this heading. The university-based Higher Education for Development Cooperation (HEDCO), for example, established in 1975, promotes links with developing countries, and enhances teaching and research on development issues in Ireland.

A formal development education programme was initiated in 1985, “aimed at promoting a better awareness and understanding among Irish people of development issues”.¹⁹ Among the initiatives at that time was the establishment of a government-financed Development Education Support Centre

(DESC) to provide professional support to organisations working in development education. A 1988 review resulted in the establishment of a national committee to administer development education funding. A National Development Education Grants Committee (NDEGC) was established in 1990, with ten members from the NGO and education sectors, serving in a personal capacity and appointed by the Minister. A second review in 1993 resulted in the creation of the National Committee for Development Education (NCDE). More broadly representative, its role is to administer a larger development education fund, to formulate development education policy, to support and to evaluate the work of those involved in the field.

A 1994 OECD Review of Ireland's ODA remarked on the strong general support for the Irish Aid programme, both at the political level and among the public at large, with Ireland particularly noted for the generosity of its people towards those in distress. It commented, however, on the limited public understanding of the need for longer-term development assistance, and recommended "a more active information policy on Irish Aid and a new approach to development education".²⁰ Several of the recommendations have now been implemented (a decision to make evaluations public; the creation of an information unit within Irish Aid), and the volume of funding available for development education and information has been growing at a considerable pace, though its share of total ODA for 1996 is set to fall.

Table 7: Government expenditure on development education, (IR£ '000)

	Amount	As % of ODA
1985	290,000	0.74
1990	370,000	1.07
1992	460,000	1.14
1994	675,000	0.90
1995	1,100,000 (budgeted)	1.24
1996	1,150,000 (budgeted)	1.09

Source: O'Neill, 1995a; DFA Statistics; Trócaire. 1995 and 1996 figures include expenditure on information on Irish Aid.

Approximately 15 percent of these funds are consumed by the Department of Foreign Affairs itself, but the balance is mainly devoted to co-financing arrangements with NGOs and

educational institutions. Dóchas, the NGO umbrella organisation, has called for development education spending to be increased to 5 percent of bilateral spending by 1997. (The 1995 estimate represents about 2.8 percent of bilateral spending.)

One estimate places independent NGO spending on development education at more than IR£1.5 million in 1994, or about double government expenditure. This figure is probably on the low side.²¹ While the bulk of NGO spending may be done by the two largest Irish NGOs – Trócaire and Concern – a large number of others are involved in development education, solidarity and campaigning.

Criticism and calls for greater government spending notwithstanding, the Irish government probably spends more of its ODA budget on development education than any other member country in the OECD, and combined government-NGO spending would be similarly high.

Other forms of government-NGO interaction

Contracting

The contracting of Irish NGOs for the delivery of bilateral development assistance, well developed in some OECD member countries (Switzerland, Canada, the US), has so far been undertaken only on an experimental, case-by-case basis in Ireland. The approach has been used in countries where Irish Aid does not have a presence, and where NGOs are either already on the ground, or are able to move on short notice. So far, such initiatives have been largely limited to rehabilitation projects in Somalia, Cambodia, Mozambique and Vietnam.

Support to Southern NGOs

Support to Southern NGOs from Irish Aid is mainly handled through embassy funds for small, one-off projects. Each mission has an allocation of IR£75,000 per annum for this purpose.

**Table 8: Estimated total government funding of NGOs,
(IR£ '000,000)**

	1993	1994 ²²
Co-Financing Scheme	2.5	4.0
Emergencies	2.7	4.3
Development Education (est.) ²³	0.4	0.5
Volunteers (APSO) ²⁴	1.6	2.7
Human Rights & Democracy	n.a.	n.a.
Total	7.2	11.5
Total ODA	54.7	68.9
Contributions to NGOs as % of ODA	13.1%	16.7%

Note: These figures do not include emergency support provided to ICRC, nor do they include contracts undertaken by NGOs on behalf of government. Grants made from embassy funds to Southern NGOs are included in the co-financing scheme totals.

Observations and issues

Although something of a late starter in the field of official development assistance and in its evolution of an NGO community devoted primarily to international cooperation, Ireland's philanthropic roots and its international outreach have strong origins in its widespread missionary movements and in its long-standing generosity towards those in distress. Recent changes in Ireland's aid policy make it one of the few OECD member countries today that is strengthening its aid programme. While the growth in Irish ODA may be starting from a relatively low base, it has already surpassed some much wealthier OECD member countries as a percentage of GNP. It should also be noted that growth is taking place despite Ireland's own economic problems – usually the primary excuse used elsewhere for reductions in ODA.²⁵

Growth in Ireland's ODA reflects, in part, a strong commitment on the part of the Irish public – demonstrated by expanding donations to NGOs through the 1980s and into the 1990s – towards those in distress. A 1994 opinion poll, however, showed a decline in public interest between 1992 and 1994 in overseas charities as compared with domestic organisations, and an overall decline in the percentage of people making donations to any charitable organisation (from 89% to 84%). It is not clear if this represents a trend, and early evidence of compassion fatigue.

The growth of Irish NGOs in recent years has been based almost entirely on emergency appeals. Despite an unusually high level of investment by Irish Aid and by many NGOs in development education, public understanding of the need for investment in longer-term development is relatively weak. There is a real danger that NGOs which once concentrated almost exclusively on longer-term development, will be transformed into agencies whose greatest effort is on short-term emergencies. The trend is not a product of the NGO-government relationship, as government contributions for emergency work represent a relatively small part of the income of Ireland's largest NGOs. It is more a conjuncture of need on the one hand, and on the other, opportunities provided by a generous public response to NGO appeals.

A relatively high, and possibly disproportionate share of Irish Aid, and of Irish Aid support to NGOs, is focused on personnel-sending efforts. There is concern that quality may be endangered by a continuing emphasis on quantity.

The rapid expansion in Irish Aid over the past two or three years has been accompanied by many changes in procedure where NGOs are concerned, but there are still a number of anomalies and lacunae. The hardware-oriented, single-year, once-off project support provided by Irish Aid for most NGO development projects has been bureaucratically time-consuming, and developmentally narrow. The annual list of government-supported NGO projects has been a catalogue of buildings, bore holes and vehicles. While support for one-time capital expenditure is, no doubt, a genuine NGO need, the list of government-supported projects reflected none of the hallmarks that have made NGOs successful worldwide: group formation, capacity building, community health programmes, non-formal education, savings and credit, etc. As a result, there is little to learn about development from what government funds. Recent recommendations from an advisory committee, however, suggests that these problems may soon be remedied. Moreover, the Irish Aid country programme in Ethiopia is centred around a strategy of local capacity building and a similar approach is intended in Mozambique which became the 7th priority aid country in 1996. At the recent launch of the Irish Mozambique Solidarity book *Peace without Profit* Minister of State at the Department of Foreign Affairs, Joan Burton TD noted the link between capacity building and local ownership of programmes and the ability of country

programmes to absorb funds. This view coheres well with much of the work Irish NGOs have been doing.

This raises a final issue that can colour government-NGO relationships: evaluation. NGO evaluation is rising on the agenda of most OECD member governments, but in Ireland, there is so far little discussion about NGO evaluation, impact, lessons learned or results. In 1995, Irish Aid itself began a review of some NGO work overseas, but many NGOs themselves knew little about it.

Too often, evaluation is used only as a control and verification device. And too often, it raises its head when money grows tight, becoming a means only of making difficult choices. In Ireland, there could be a (rare) opportunity to develop an evaluation system during a period of financial expansion, in order to help determine what works – as a tool for learning, and as a tool for funding the best, rather than simply as a tool for cutting the worst.²⁶

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- Annual Reports of various NGOs.

Footnotes

1. This paper is a supplement to studies of NGO-government relationships in other OECD member countries, published in *Non-Governmental Organisations: Stakeholders for Development* (OECD, Paris, 1993). Interviews for this report were conducted in Ireland in October 1995 and revisions to an early draft, based on more current information, were made in August 1996. The author wishes to thank the many individuals in the Government of Ireland and the Irish NGO community who took the time to explain their organisations and their work, and later, to comment on a draft of this report. Anna Farrell of Dóchas was helpful with early information and suggestions, and in helping to arrange meetings. Martin Greene of Irish Aid and Maura Leen of Trócaire provided valuable advice and information. The report also benefits greatly from various studies of Irish Aid written in recent years by Prof. Helen O'Neill of University College, Dublin. Opinions, errors or omissions, however, are the responsibility of the author alone.
Unless otherwise noted, all figures are in IR£ (IR£1 = US\$1.61; 13 August 1996).
2. 'Remembering the Irish Famine', Pastoral Letter of the Bishops of Ireland, 24 September, 1995
3. CONGOOD, 1992, p.128
4. Concern is becoming more widely known as Concern Worldwide, to distinguish it from the British organisation, Concern Universal.
5. Note: the figures for public donations were unusually high in 1994 because of the Rwanda crisis.
6. Includes £14 million in kind.
7. In 1996, the scheme was included in the ODA estimate at IR£2 million.
8. The scheme was made available only to international development NGOs because unlike domestic charities, they do not have access to proceeds from the National Lottery.
9. Although a variety of names are used to describe Ireland's development assistance programme, the 1993 Strategy Plan stated that 'it is intended in future to adopt the standard description "Irish Aid".' This term will be used throughout this report.
10. Strategy Plan, pp.12-13
11. 'Irish Aid Co-Financing Scheme', Department of Foreign Affairs, 1995. In 1996, Trócaire and Concern each expected to receive block grants of £300,000, Goal £250,000 and Christian Aid £75,000. The 1996 expected total of IR£925,000 represents an increase of 32% over the 1995 total of IR£700,000.
12. Discussions with NGOs are underway since mid-1996 on this. Aside from the co-financing mechanism other budget lines such as human rights and democracy, rehabilitation etc are still open to NGOs in receipt of block grants. How the changes being examined will affect the overall size of the block grant allocations (and the criteria which determine eligibility and the amount funded) to recipient NGOs remains to be seen.
13. *Reality of Aid* 1996, p.133
14. See *Reality of Aid* 1996, Ireland chapter, for further discussion on APSO.
15. O'Neill, 1995b

16. Refugee and rehabilitation spending not classified by agency; likely includes some funding to NGOs
17. Concern, Trócaire and Goal
18. Trócaire reports that emergencies expenditure is a broad category which includes rehabilitation, some support for human rights programmes and trauma counselling.
19. Irish Aid Annual Report, 1993
20. OECD 1995, p.12
21. O'Neill, 1995a; Trócaire alone reported development education spending of IR£1.2 million, and Concern, IR£319,000.
22. Provisional
23. An arbitrary figure of 75 per cent of total government spending on development education has been used. This is probably low.
24. Estimated at 60 per cent of the APSO budget for the year.
25. Although Ireland boasts one of the highest rates of GNP growth in the EU, its unemployment rate remains very high.
26. In a June 1996 meeting with the main NGOs, the Department of Foreign Affairs noted the NGO scheme focuses on its development impact, administrative, management and accountability in terms of the use of public monies. To assist NGO planning the Department indicated it would try to increase the predictability of resources for NGOs. It is also worth noting that evaluation of smaller groups and missionary organisations may require investment in training and capacity building.

