



indigo foundation

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Update from the Management Committee

Happy New Year to all our members and their families !!

This year begins with a warm welcome to Megan Gilmour who joins the Management Committee as the Treasurer. Sally Stevenson has resumed the role of Chairperson as well as taking over finance administration from Sally Blake.

We are all looking forward to another year of work with IF and the communities we support.

Supporting a village school in Hazarajhat

Sarah Kelly reports...

We are delighted to announce that IF is now providing development support to a Hazara community in Afghanistan. This is due largely to the hard work and personal contacts of Salman Jan, an IF member and Afghan Australian.

In this first year of support, we have provided \$5,000 towards the purchase of school books for students in the village of Brorjegy, Hazarajhat. Supporting the school is consistent with IF's *Guiding Principles* (community ownership, sustainability, transparency and equity) and satisfies our project selection criteria. In summary:

- The school has strong **community support**: it was established and is financially supported by the community, which is key to its sustainability;
- The school is **educating girls** as well as boys for the first time;
- The students are **Hazara**, a minority ethnic group who have suffered decades of discrimination;
- Salman has a **personal relationship** with a number of the teachers and his brother has facilitated sending the school's proposal, which includes photos;
- There are no other existing NGO partners and **IF's contribution has the potential to make a significant impact.**

We have requested that our *Guiding Principles* be translated into Dari (the local language) and displayed in an appropriate place so the community is aware of the principles by which our assistance is delivered.

The School

The School consists of a local high school with 6-800 students which also runs two 'middle schools' (grades 6-9) and six primary schools (grades 1-5). Although the school is registered with the Afghan government, the Education Department is unable to provide school books for the students. Students use a limited number of texts dating back to the war with Russia. The infrastructure consists of old buildings without windows and doors, damaged during the Russian war. They also use tents erected by UNICEF last year. Children bring their own rug to sit on for classes.

The Teachers

There are thirty seven staff. At least five of the teachers are known personally to Salman. Most of the teachers are not formally qualified but have enough education to pass on to the students. Half the teachers are paid, and half teach on a voluntary basis. They are highly committed people.

The Village

Brorjegy is a remote village 2-3 hours drive from the city of Gazni and 7-8 hours drive from Kabul, although access to Kabul is not possible during the winter months. Brorjegy is poor, there is no electricity and access to resources is extremely limited. There has been no recent international or government funding support to the community and no international NGOs work there.

The Future

Under our agreement the School will provide a written report, receipts and photos of the students using the books purchased with IF funding. We will send an IF representative (Salman) to Brorjegy in April to assess the success of our support, build a relationship with the community and explore other ways in which IF might assist the school (especially in areas of capacity building) or provide other community development support. Salman will also explain our preference to provide longer-term support, and core funding to organisations. (We

provided specific support this year because this was what the School requested. It also helped to minimise risk whilst building a relationship of trust).

We are excited to be providing this support. We believe it will have a significant impact in a remote and poor Hazara community in Afghanistan. We also believe the opportunity to develop a longer term and mutually beneficial relationship is very good. We anticipate this support will be the first step in our development assistance to Afghanistan.

The NGO context in Afghanistan

Our research has highlighted some general concerns about providing support to NGOs in Afghanistan. These include:

- **Large budgets;** Some NGOs have received relatively large amounts of funding for projects (not for core organisational support). We needed to be sure that our contribution would have an impact.
- **Lack of capacity;** many NGOs lack management, administrative and financial capacity to undertake their projects. Often an NGO is established and run by one dynamic and very capable person, who is able to attract support. However, the capacity of staff or volunteers working for the NGOs is limited, leaving the organisation dependent upon one person, and creating concerns in relation to sustainability.
- **Corruption;**
- **International support** is largely limited to NGOs in Kabul, due to visibility and access; and
- Difficulties with **communication;** telecommunications are extremely limited and very expensive. It is almost impossible for small NGOs, especially outside Kabul to have direct or efficient contact with international bodies.

Our support to Brorjegy School overcomes three of these concerns, namely big budgets, the focus of support in Kabul, and corruption. On the other hand, lack of capacity and difficulties with communication (or lack of access to other funding) are two reasons why IF would choose to support an NGO.

Afghanistan Events – ALL WELCOME!

We will be holding two Afghanistan events in Sydney to showcase this project and talk about IF in general. The first will be held on Sunday 7 March and the second probably in May or June. All members in Sydney and surrounds will be sent an invite - if you would like to come or help, or know other people we can invite please do not hesitate to contact Sarah Kelly or Sally Stevenson on indigofoundation@bigpond.com

IF and Centro Feto – Finalists at World Bank 2003 Development Marketplace Awards

Jennifer Spence reports...

Early in 2003, IF submitted a funding application to the World Bank Development Marketplace awards in partnership with Centro Feto Oecussi Enclave. Imagine our delight when we were selected as one of 183 finalists from over 2700 applications!

The Development Marketplace is a program that promotes innovative development ideas through early stage seed funding. The idea is to link development 'entrepreneurs' to partners with resources to help implement their vision. Since 1998, the Development Marketplace has awarded more than \$16 million to over 330 groundbreaking projects through Global Competitions and Country Innovation Days.

As the Project manager for East Timor I was invited to travel to Washington for three days in December (funded by the World Bank) where Leanne Black and myself represented the project proposal. The application was designed to support the expansion of Centro Feto's work in Oecussi, in particular to provide the remote villages in the District with greater and more regular access to CFEO services and awareness raising workshops.

We were the only finalist working in East Timor, indeed there were relatively few other finalists working in South-East Asia and no finalists from the Pacific. It was very interesting to be exposed to such a wide variety of development initiatives and to talk to such a large group of extremely dedicated and resourceful development workers. Leanne and I were also most pleased with the feedback we received on IF's development approach, a number of other finalists and World Bank staff being very interested (and happily surprised) about the origins of IF and the communities that we are targeting.

Each project was required to present to a jury team consisting of two development experts. The process was gruelling but informative. Whilst we did not receive a grant we are all still thrilled at being shortlisted against a very strong group of applications from across the world representing new approaches in different fields such as biodiversity conservation, HIV/AIDS prevention, education, small and medium enterprise development, health, rural development energy and more. Being selected as a finalist demonstrates the quality of the partnerships that we are forming with communities and the value of IF's contribution to poverty reduction and sustainable development in small but strategic ways.

"Sugar, Surf and Seaweed"

Zoë Mander-Jones reports...

In October 2003, IF held two film nights: one in Canberra and one in Sydney. The aim of these nights was to help raise awareness of IF's work through screening a video documentary called *Sugar, Surf and Seaweed*, which looked at some of the changes to village life and agriculture that are now happening in Rote, Indonesia.

Tom Van Seville shot the 30-minute no-budget film on Handycam last year while he was working in Rote as a volunteer for IF. The video is a celebration of villagers that he worked with, and gives an interesting perspective on a fascinating part of Eastern Indonesia.

Filmgoers were greeted with a glass of champagne and introduced to the work of IF by Zoë Mander-Jones, before settling back to watch the film. The screenings brought together IF members and supporters and also people who did not know anything about IF. We were delighted with the feedback we received – and have a number of new members as a result of these events.

Special thanks go to Fay and David Mander-Jones, Eoin Joyce of SelfCert, Sally Blake, Pete Creaser and members of the Glebe Society who came out in force at the Sydney film night. IF plans to hold similar events aimed at raising awareness of our work (and the work of our partners) and attracting new supporters, as part of our low-cost fundraising strategy.

If you would like further information about the film or would like to hold a fundraising event of your own, please contact Zoë Mander-Jones at (volcano@vanuatu.com.vu) or Sally Stevenson (indigofoundation@bigpond.com).

A Brief Discussion on Evaluating the Impact of Capacity Building on Poverty Reduction

by Leanne Black

The quintessential concern behind this research into the relationship between contemporary approaches to 'capacity building' and poverty reduction is the lack of evidence that poverty is being reduced in any substantial way by a 'capacity building' approach to development. Despite this lack of evidence 'capacity building' remains a high priority in the international aid and development industry (footnote 1). Why is this so? An implicit assumption driving many 'capacity building' agendas is that strengthening the technical, organisational, and relational capacities of governments, the private sector, and civil society in developing countries, will, over a period of time, produce an "enabling environment"; thus giving poverty reduction strategies (and other development processes) more chance of 'success'. To date, there

have been few systematic evaluations of capacity building strategies, to test such assumptions (ISNAR 2002).

Development actors in both rich and poor nations are calling for research into the impact of donor-funded poverty reduction strategies like 'capacity building' (footnote 2). However, a review of the literature reveals that although there is a scurry to find appropriate indicators for 'capacity building' monitoring and evaluation, research into the connection between 'capacity building' and poverty reduction is limited (footnote 3). This raises the following questions: If poverty reduction is the major priority of the 'global development agenda' (footnote 4) and 'capacity building' is a, if not the, preferred approach to development (Schacter 2000), then why are links between 'capacity building' and poverty reduction so poorly articulated? Is it through lack of empirical referents, the need for longer-term evaluations, flaws in the assumption that one will invariably lead to the other, or are there just few examples of 'success'? A number of factors contribute to the lack of evidence linking 'capacity building' and poverty reduction. These fall under three broad categories:

- (1) Weak links between conceptualisations of 'capacity building', implementation, and impact,
- (2) Objectives of 'capacity building', and
- (3) Difficulties associated with evaluating 'capacity building' and 'impact'.

We will briefly look at some of the issues surrounding number three.

Assessments of 'capacity building' are fraught with conceptual and methodological tensions (Black 2000). This is because 'capacity building' is an abstract term that defies a common definition; spans the broad and interconnected scope of society at agency and structural levels; and has a 'process' orientation that encompasses intangible dynamics, extended timeframes and non-linear cycles of learning. The difficulties of assessing such complex processes are not unique to the aid and development industry. The same difficulties are confronting the industrialized world when assessing social and political initiatives (Kruse, S.-E., T. Kyllonen, et al. 1997). It would appear that complex and dynamic processes – being short of empirical referents – are why "theory-based evaluations" are being considered, by some, to offer a possible way forward in the field of monitoring and evaluation. Judy Baker writes that 'programs and projects are based on explicit or implicit theory about how and why a program will work' (Baker 2000: 12). According to Baker, it is the tracking of these theories and assumptions that can indicate whether a program will, or will not, work during its implementation phase; giving greater chance for redirection of the program if necessary. The World Bank is currently experimenting with theory-based evaluations. Those closer to the grass roots in 'aid and development' might question whether theory-based evaluations are just another top-down, expert-led and cost-effective

tracking device, or risk management strategy, that conveniently bypasses grounded, participatory and often lengthy evaluations. The International Service for National Agricultural Research notes that the "theory of action" driving an organisation (usually found in official documents), can often differ from "theories-in-use" i.e. the bases on which people actually act (Horton ed. 2001: 8). Therefore, an evaluation based on the theory that drives a program's aims and objectives, can produce findings that are misleading if the situation at the grass roots level is not sufficiently verified.

The nascent state of impact evaluations in general is a contributing factor to the lack of evidence connecting 'capacity building' with poverty reduction. One of the few in depth studies produced so far (on the 'capacity building' activities of the United Nations), revealed there was little consensus about 'capacity building' assessment indicators, not only within the UN system, but also within other international development agencies (Maconick 2002). At this point in time, evaluations are still predominantly concerned with measuring the efficiency and effectiveness of 'capacity building' initiatives (e.g. whether tangible aims and objectives are being met and, more recently, whether there are notable changes in the performance and behaviour within the organisational culture to indicate 'capacity' is being strengthened). But focusing evaluations on the recipients of capacity building programs only (e.g. the staff of a local NGO), is not going to tell us whether the 'results' will turn into wider capacity outcomes, namely poverty reduction. John Mayne argues that to gain a better understanding of the actual impact of any given program, the identification of changes in attitudes, knowledge, perceptions and decisions should not be limited to the 'target' group (of 'capacity building'), but should extend to those "reached" by the program (Mayne 2001). However, as Mayne points out, 'tracking a program beyond performance measurement leads to the "attribution problem"' (2001: 5). Concerning "attribution", the Chronic Poverty Research Centre writes,

The issue of attribution or causality is at the centre of debates about impact assessment. It is important to recognise that interventions occur in a socio-cultural and economic context. They cannot easily be isolated from the impacts of other organisations, from government policy, from shifts in the global economy or national political economy. One can estimate the plausibility of x input generating y impact, but '(o)ften the most that can be done is to demonstrate through reasoned argument that a given input leads logically towards a given change, even if this cannot be proved statistically (Roche, 1999:33).

To date, there remains limited understanding on how to incorporate the challenges imposed by 'attribution' into monitoring and evaluation (footnote 5). We need to ask whether the "attribution problem" can be factored in (if at all) using existing evaluation frameworks. Perhaps we need a more radical approach to evaluation, by stepping outside conventional evaluation paradigms, and asking

whether we are addressing the right questions in the first place and whose interests do our evaluation paradigms serve. There are many other factors contributing to weak links between 'capacity building' and poverty reduction, which cannot be covered within the limits of a newsletter article. Suffice to say, whilst acknowledging the difficulties of evaluating 'capacity building' and poverty impact, efforts must be made if we are to prevent the concept of 'capacity building' from becoming just another aid and development fashion that, once again, does nothing to substantively benefit the poor.

Footnotes or endnotes

1. The term "industry" refers to the commercialization of "aid and development" efforts. In other words, aid and development "industry" refers to any aid and development enterprise that utilises a selective skill base and which generates employment for those who acquire such skills, exists on capital investment, displays a clear division of labour, and is engaged in some form of production or service. I have shied away from using the term "development community" because this infers relationship and a relatively high level of cooperation and cohesion. This is a highly debatable issue from both a theoretical and empirical standpoint.
2. See 'Contribution of IFCB in one year', IFCB Newsletter No. 7, August 2000; 'Briefing Paper to Donors', East Timor NGO Forum, 2001.
3. Some authors and organizations are now writing about 'capacity building' and poverty reduction, but comparatively few within the general aid and development discourse. This author is reviewing those texts that do address the issue.
4. See "The Millenium Development Goals." Development Policy Journal 3, UNDP, April 2003. Also "From The Drive to Partnership: Aid Coordination and the World Bank", J. Eriksson, World Bank: Operations Evaluations Department, Washington, D.C. 2001.
5. See "Capacity-Building for Poverty Eradication: Analysis of, and lessons from, evaluations of UN system support to countries' efforts", Roger Maconick, Ed., United Nations, New York, 2002. It can be accessed: <http://www.un.org/esa/coordination/Chpt2.PDF>.

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How is indigo foundation going?

Our goal is to provide support to **eight communities** over the next two years.

We are now assisting communities in:

- **Indonesia**
- **East Timor**
- **Solomon islands**
- **Afghanistan**

We are half way there!

Once we have sufficient funding, there are at least two communities or NGOs we could explore building a relationship with. The first is in the Solomon Islands, and the second is with Karen refugees from Myanmar, in India.

We budget approximately \$10, 000 per community, per year. As part of our approach to developing longer term and sustainable relationships, we like to budget for at least three years. This financial year we have raised approximately \$8,000. With a number of functions planned, we hope this will increase, at least, to match last years income of \$24,000. However, to ensure longevity of our support as well as our own sustainability, our objective is to raise at least \$40,000 this year.

We are committed to remaining small, maintaining a hands-on professional management style and developing strong individual and organisational relationships with communities.

Would you like more information?

If you would like to contribute to Indigo Foundation's work, offer suggestions or seek further information please contact:

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