

ICPS newsletter

Weakness of civic organisations threatens development of democracy

Achieving democratic governance through empowering civil society is critical to Ukraine's future. This process can be accelerated through strengthening the third sector and developing its close cooperation with the government, at both national and local levels. In this issue, we present our summary of an article by Vira Nanivska, ICPS director, analysing the process of development of civil society and NGOs in Ukraine

The presence of a strong third sector is a fundamental prerequisite for Ukraine to enter the European Union, because civil society institutions perform the following functions:

- guaranteeing individual privacy, including private ownership, freedom of public expression, and choice of residence and movement;
- ensuring citizens' political rights, both the political right to be elected to government and to monitor and evaluate the government's performance between elections;
- ensuring the coexistence of different social groups and the legitimacy of their interests, by means of mass media and independent citizens' associations.

CEE countries are mandated and supported by the EU in the development of their third sectors. To facilitate this, the EU established PHARE, targeting social solidarity, civil society, and networking between NGOs, particularly between European Union organisations and their CEE counterparts. PHARE has established Civil Society Foundations, enabling the support of small projects designed to help civil society become a useful interlocutor with government, and to develop dialogue with authorities at local, regional and central levels.

Mirroring PHARE'S methods in Ukraine could establish similar results and facilitate Ukraine's alignment with EU standards.

Role of the third sector

Newly emerging NGOs represent society's response to the challenges of transformation, and the responsibility for co-creating good governance. Many NGOs work to fill those niches where the state no longer supplies services for which it was responsible

in the past. Further, Ukrainian NGOs are beginning to serve as an instrument for increasing public awareness and fulfilling the democratic task of holding the government accountable for its decisions.

Local NGOs are proving to be more successful than national ones, due to shared community interests and accessibility. Trust is slowly increasing between the government and citizens as NGOs collaborate with municipal governments. Further, the development and support of community initiatives that take into account citizen interests and the input of local NGOs creates an important dialogue between citizens and the public service. This is accomplished by monitoring public service quality at the municipal level and building NGO capacity to provide citizen engagement in the government's policy process. This includes:

- training in public hearings;
- facilitation of questionnaires on public service quality;
- sectoral "report cards";
- civic journalism training;
- establishing advisory committees, including public officials and local NGO representatives as members.

NGO development

When compared to EU candidate countries, the NGO sector in Ukraine is small. According to official statistics, in 2000 there were approximately 25,500 civic organisations operating in Ukraine.

Most of these NGOs are located in regions with either

highly developed infrastructures, like Kyiv, Dnipropetrovsk, and Donetsk, or areas with cultural and intellectual potential, such as Lviv and the Autonomous Republic of Crimea.

Citizens are sceptical of NGOs

Opinion polls carried out by the Democratic Initiatives Foundation (DIF) show that third-sector membership in Ukraine remained constant in 1994-2000, with no major changes; in 1994, 82% of the Ukrainian population stated that they are not members of any civic or political organisation, while in 2000, the figure was 83%. Because Ukrainian citizens are not fully aware of the third sector's role, they are reluctant to participate. Other causes are:

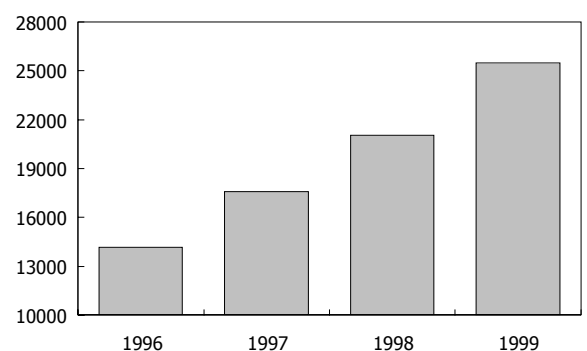
- lack of experience, desire, time;
- economics: the need to earn a living;
- fSU "volunteering" undercuts involvement;
- distrust reduces participation.

Barriers to NGO Development

Access to information. There is a generally low awareness about the third sector in Ukraine, due to the limited availability of official and reliable data on NGO developments; such information appears on a sporadic and irregular basis.

NGO legal underpinnings. Ukrainian legislation has provided a legal basis for CSO development via the following acts:

Number of NGOs in Ukraine



Source: Central Civil Service.

- Law "On associations of citizens" (1992), regulating the activities of social-political groups, parties, and civic organisations;
- The Constitution of Ukraine (1996);
- Law "On charity and charitable organisations" (1997);
- Law "On creative workers and creative unions" (1997);
- Law "On youth and children's civic organisations" (1998).

This legislation has made possible the diversity of non-governmental structures in Ukraine. However, problems regarding definitions of third-sector players and their status still create unnecessary confusion, due to gaps in the legislation. For instance, multiple terms, such as "non-government," "civic," and "public" are used, but they are not consistent or legally defined.

Third-sector taxation must be regulated and aligned with EU standards. At present, Ukraine has not developed a concept of "the public good," and tax regulations for charitable donations have not been fully introduced. NGOs are exempt from profit or value-added taxes, but they must not engage in commercial activities. Some provisions in the tax law are inconsistent and contradict the provisions of other non-tax laws; as a result, the legislation is confusing. Ukrainian legislation is without clear concepts and criteria to define non-profit activities.

Last week

Latest issue of *Gosudarstvennoe upravlenie v perekhodnykh ekonomikakh*.

A new issue of the Russian-language version of the *Local Government Brief* was published last week. This is a quarterly newsletter of the Local Government and Public Service Reform Initiative (LGI), affiliated with the Open Society Institute, devoted to the problems and prospects of public governance in transition economies.

The new issue contains articles on the following topics:

- democratic reforms, political culture, and local self-government in Central Asia;
- political-administration relations in post-Soviet countries;
- causes and possible effects of ethnic conflict in Macedonia.

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There is a global trend, initiated by the IRC, towards establishing NGO "Codes of Conduct" (1998); several voluntary and self-policing codes have been adopted. Although not legally binding, they establish precedents that protect donors, governments, and the public. Such codes improve NGO credibility, authority, and transparency in their activities. It would be very helpful if the Ukrainian NGO community adopted their own code and, where relevant, participated in international ones.

Participation in the policy process requires skills

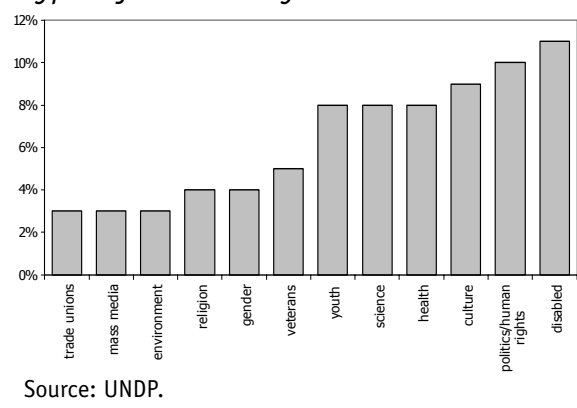
The main obstacle to NGO participation in public policy is a lack of training in the mechanisms and procedures required. Many NGOs in Ukraine are still characterised by:

- weak institutional capacity for the decision-making process;
- poor management and professional expertise;
- undeveloped planning, development, budgeting skills;
- lack of training in public consultations and debate;
- inexperience with evaluation and monitoring;
- poor analysis skills.

These are all teachable and learnable skills. Ukraine needs TA support providing skills-based training to the NGO sector; then it can fulfil the mandate for citizen engagement. Meanwhile, TA's role in civil society capacity has two aspects:

1. **Stimulate the growth of NGOs in Ukraine and facilitate their organisational structure and management**, through providing them with training, information and experts sharing the best concepts and practices.

Types of NGO activity



2. **Build the government's capacity** to encourage civil society through developing appropriate financial and legal environments and strengthening dialogue with CSOs.

Conclusions

NGO activities increase the potential for better government performance, facilitating a transparent and sustainable transformation to democracy. Therefore, Ukraine's capacity in the following sectors must be encouraged:

- stimulating citizen participation;
- public monitoring of government policies;
- developing democratic norms and values through existing democratic institutions.

These recommendations are targets for the EU's technical assistance to candidate countries. Thanks to these programs, the NGO sectors in candidate countries have undergone significant trajectories of growth and development.

Democracy in Ukraine will flourish when citizens are empowered to take up their democratic responsibilities in a skilful and competent way, participating in public policy development. These objectives cannot be implemented without NGO sector development. ■

Information source on non-government organisations

There is a generally low awareness about the third sector in Ukraine, due to the limited availability of official and reliable data on NGO developments; such information appears on a sporadic and irregular basis. New sources of information are:

- **Directories:** *NGO Guide in Ukraine; Ukrainian Third Sector Framework; Civic and Charitable Organisations in Ukraine; Ukrainian NGO Directory.*
- **NGO Websites:** www.ngoukraine.kiev.ua; www.intellect.org.ua; zurc.org; www.freedomhouse.kiev.ua; www.gurt.org.ua.
- **Periodicals:** *Civic Initiatives; NGO News; Crossroad; Counterpart Alliance for Partnership News.*
- **Resource Centres:** *Gurt Resource Centre; Western Ukrainian Resource Centre; Counterpart Creative Centre.*

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