

Presentation Path

Indian Voluntary Sector Context

Initiatives of the Voluntary Sector

Government steps

The way forward

NGO Accountability - India

Indian Voluntary Sector Context

Large size

- 3.3 mn registered NGOs as per CSO, September 2009 (45% registered in 2001 or later)

Multiple registrations

- Registration of Entity- Trust, Society, Section 25 Company – many laws, many states
- Registration under Income Tax Act- central act but over 100+ locations
- Registration under Foreign Contribution Regulation Act- central act, single location but only 35,972 NGOs

NGO Accountability - India

Indian Voluntary Sector Context

Statutory Accountability insufficient

- No uniform reporting requirements of registration authorities
- All do not require annual filings
- No standard accounting policy / reporting framework
- Annual Income Tax returns do not require public disclosure
- Administrative authority not equipped with resources to monitor and penalise defaulters

No single comprehensive database

- No unique name
- No unique number
- No single place to find information about all NGOs

NGO Accountability - India

Voluntary Sector's Initiatives



www.guidestarindia.org

The first place to look for NGOs in India
an initiative of CSIS India

GiveIndia (www.GiveIndia.org) –
founded in 2000, channeled
US \$12mn to 200+ NGOs

- Showcases NGOs that meet stringent norms
- Detailed information on governance, performance, financials, costs in public domain
- Individual feedback in 6-8 months for every donation- 15000 reports last year
- Flow of donations strongest motivator
- Allows NGOs the access to donors they do not know, simply by being transparent & accountable!

A screenshot of the GiveIndia website showing the profile of Wayanad Girjana Seva Trust. The page includes a navigation menu, a search bar, and a table of board members. The table lists the following members:

Sl. No.	Name (Age)	Gender, Position, Gross Remuneration, Relation to other members
1	Baburaj O.M (44)	Male, Chairman, INR 0.00, Un-related
2	Rajeevan B.V (36)	Male, Secretary, INR 0.00, Un-related
3	P.P.Narayanan (67)	Male, Treasurer, INR 0.00, Un-related
4	Achappan P.K (53)	Male, Vice-Chairman, INR 0.00, Un-related
5	Balan M (39)	Male, Member, INR 0.00, Un-related
6	Nishamol S.S (27)	Female, Member, INR 0.00, Un-related
7	Nalini C (64)	Female, Member, INR 0.00, Un-related
8	Sarada Meleth (69)	Female, Member, INR 0.00, Un-related

Challenge to expand: language,
net access, capacity to meet
criteria (processes & systems)

NGO Accountability - India



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Voluntary Sector's Initiatives

Credibility Alliance (www.credall.org.in)
founded in May 2004.
300+ Members, 50 accredited

- Sector's initiative for self-governance after 2 years of consultations involving 15000 NGOs
- Members evolve norms of good governance & public disclosure
- Accreditation system & peer review model
- Capacity building initiatives to equip NGOs
- Represented on Planning Commission's committee for self regulatory authority



Challenge to expand: members & accredited NGOs want tangible benefits as a result of meeting norms

NGO Accountability - India

Voluntary Sector's Initiatives

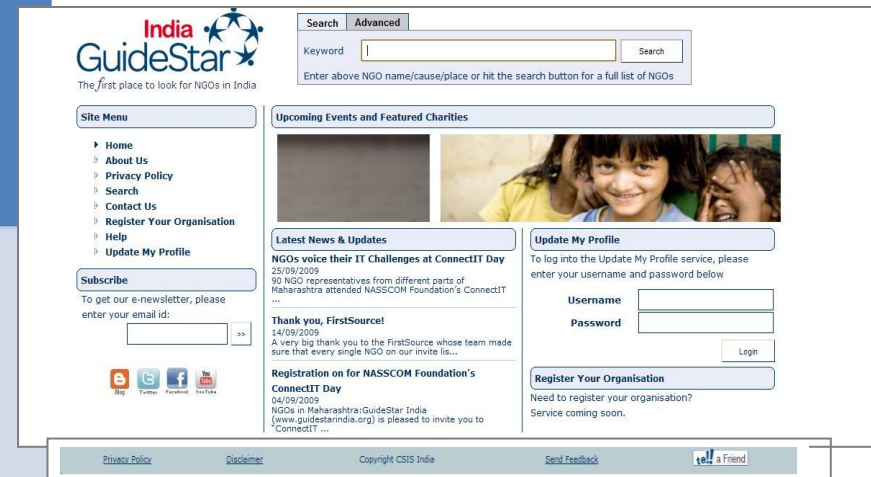
GuideStar India (www.guidestarindia.org)
founded in Jan 2009.
500+ NGOs profiled. Launch in 2010

- Educate NGOs to become voluntarily transparent & accountable
- Create an online platform for NGOs to voluntarily showcase work, articulate needs and make information available to all
- Connect with government efforts on mapping sector, classification of NGOs, help governments NGO Partnership System



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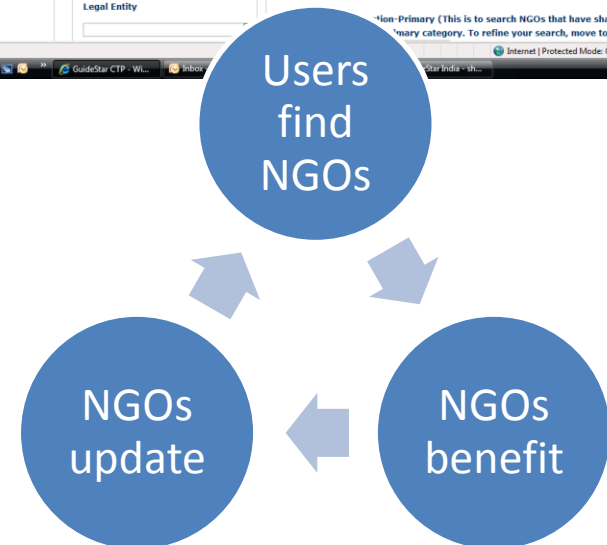
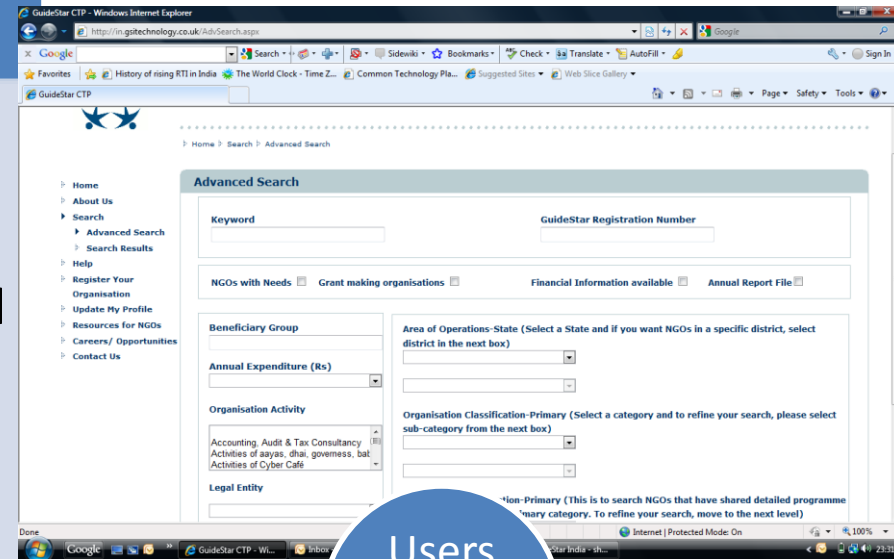
Challenge to expand: language,
internet access, cost of outreach

NGO Accountability - India

Voluntary Sector's Initiatives

Why NGOs are likely to use GuideStar India

- Clear benefit to NGOs: free website, one place to put all information (annual report, audited accounts, pictures, registration documents...), part of global search, can self-update
- Low entry barrier (proof of registration & address)
- System rewards volume of information and how recently updated- perpetually reward transparency & accountability
- Benefit to users: "Google-like" search, only facts, no opinions, user defines criteria, self-reported but with evidence



NGO Accountability - India



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Voluntary Sector's Initiatives

Joy of Giving Week

(www.joyofgivingweek.org)

Sep 27-Oct 3, 2009

coordinated by GiveIndia

- annual platform for millions to get into an “act of giving”
- inclusive, open ecosystem allows every NGO willing to commit to basic public disclosure, create its own giving event and become a part of menu of options that the general public can choose to connect with.
- As the initiative evolves, likely to generate tremendous public interest and media coverage about the voluntary sector and **reward NGOs that are accountable.**



300+ giving events, 40 cities, 340 NGOs, 1000+ schools, 100+ colleges, corporates, celebrities, media involved

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Voluntary Sector's Initiatives

CSO Partners' Outstanding Annual Report Awards (www.annualreportawards.org) 2009

- Annual awards to promote better standards in financial reporting
- Rewards in different categories (small, medium, large NGOs)
- Likely to increase awareness among NGOs and motivate them to **use their Annual Report as an effective tool to demonstrate accountability**



We expect more such initiatives to recognise and reward accountability.

Voluntary Sector's Initiatives

Learning from the Indian Voluntary Sector initiatives

- **NGOs voluntarily embrace tools of accountability-**
 - If they become aware of opportunities
 - If the platform is easy to use or there is capacity building support
 - If they are trained to submit information
 - If they have the access to update themselves
 - If it is easy to get started and slowly step up
 - and most importantly, if it pays to be accountable
- **Web based platforms lend themselves well to promote accountability** upwards and sideways but a lot still left to enable and capture downward accountability.
- **It is necessary to educate donors and other providers of resources to NGOs** about indicators of credibility and efficiency and making information easily available to them so that their giving decisions are based on facts rather than hearsay, thus maximise their social returns.
- **Keeping government informed of the voluntary sector's initiatives** to self-regulate, providing constructive inputs and suggestions are effective approaches to get government interested in inviting the sector's representatives for consultations in formulating its initiatives.

NGO Accountability - India

Voluntary Sector's Initiatives

How to increase impact of Accountability initiatives

- Barriers: language, net access, power supply, need help with systems & processes
- Remedies: lower entry barrier & increase capacity building to participate
- Intermediaries need to work together
- Foundations & donors need to support capacity building



Government's Initiatives

National Policy on the Voluntary Sector – 2007

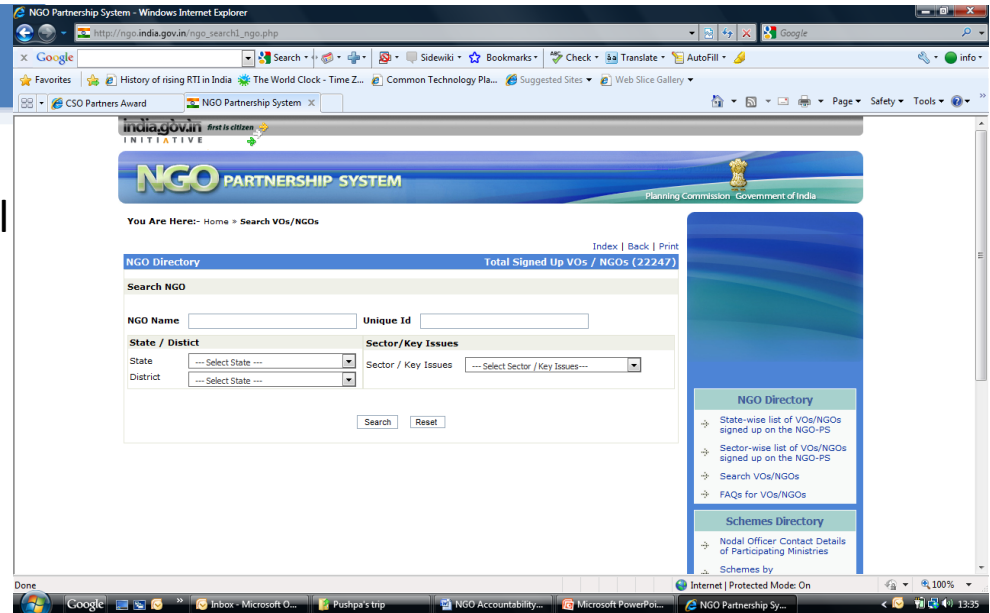
- To create an enabling environment for VOs that stimulates their enterprise and effectiveness, and safeguards their autonomy;
- To enable VOs to legitimately mobilise necessary financial resources from India and abroad;
- To identify systems by which the Government may work together with VOs, on the basis of the principles of mutual trust and respect, and with shared responsibility; and,
- To encourage VOs to adopt transparent and accountable systems of governance and management.

NGO Accountability - India

Government's Initiatives

Call for Action

- Alternate central law
- Setting up of an independent, national level, self-regulatory agency
- Expects the sector to set its own benchmarks in good governance
- Talks about bolstering public confidence in the voluntary sector by opening it up to greater public scrutiny, introducing norms for filing basic documents in respect of VOs, which have been receiving funding by Government agencies and
- placing them in the public domain (with easy access through the internet) in order to inculcate a spirit of public oversight.



- Task forces set up with NGO representatives
- Initial meetings done
- NGO Partnership System (website launched in July 2009) for NGOs to register, get id number, apply for grants, track application – 22247 NGOs to date

NGO Accountability - India

Government's Initiatives

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- FCRA to move from permanent to limited period
- 12A under Income Tax can be withdrawn any time
- NGOs cannot have any income earning activity!

Writing on the wall

- Voluntarily adopt practices to be transparent & accountable to ALL
- Be proactive in demonstrating accountability in public domain.

The way forward for the Voluntary Sector

Time to look inward and move forward...

- Indian voluntary sector brought about electoral reforms to make politicians accountable
- Indian voluntary sector played key role in bringing the Right to Information Act (2005) to make government machinery accountable
- It is time for the initiatives already started to become a widespread movement to making the entire voluntary sector accountable.

Thank you