

Responsible Governance & Management: Capacity Building of Civil Society Organisations (CSOs)

Background Paper

Journey of CSOs in India

The presence and importance of voluntary organisations in the history of India goes back to times immemorial and can be traced to concepts of *Daana* (giving) and *Seva* (service) which are still part of our cultural values. The voluntary acts of philanthropy for prosperity of all transformed to bring in social reforms during British rule in the country with active role of pioneers from India. The progress made by civil society starting from acts of philanthropy, to social and political reform movements culminated to make India the largest vibrant democracy in the world. A robust civil society, rightly termed as “Third Sector¹” and “Fifth Pillar of Democracy²”, plays a bridging role between the State and profit-seeking private sector in taking the country towards the path of participatory democracy and inclusive development.

“Third Sector” and “Fifth Pillar of Democracy”

The role of CSOs in promoting rights-based approach to inclusive development cannot be underestimated in any form. The organisations are working to reduce poverty, promote civic engagement and in turn, strengthening democracy and good governance. The CSOs take welfare and social security programmes to remote areas where government fail to reach and concentrate. The space given to CSOs in National Advisory Council in 2004 and the decision by Ministry of Rural Development in 2013 to involve NGOs in Naxal hit areas to implement NREGA etc., acknowledges their strong existence. The role of CSOs as a watchdog, advocate, agitator, educator, service provider, and mobiliser is also not less known in the path towards Good Governance in the country. Some of the best examples of the influence of CSOs in governance are framing and enactment of Right to Information Act, Forest Rights Act, Right to Education Act, Rural Employment Guarantee Act and Food Security Act.

There are estimated 3.3 million NGOs in India making it one NGO for 380 people as against one policeman for 709 people (CBI, 2015) making it a very strong section of the society. NGOs are working not only for inclusive development but are themselves emerging as one of the leading employment providers in India with more than 19 million people associated as volunteers or paid staff with NGOs. NGOs are registered mainly under the Societies Registration Act, 1860, Charitable Companies Act and Public trust and various other state acts. Apart from these, CSOs also gain strength and credibility from bodies like Social Welfare Board, Credibility Alliance etc. The voluntary sector/CSOs has made its mark in last two decades especially post-liberalisation, when 70% of the current organisations came into existence.

¹ Third Sector- The first two sectors are public and private sector in India.

² Fifth Pillar of Democracy- Indian democracy is said to rest on the four pillars of the legislature, the executive, the judiciary, and the press. The citizens or the civil society is seen as the fifth pillar with hope.

Challenges for CSOs in India

All around the world, there is an increasing concern about shrinking space for civic engagement. Civic space, legal, policy and participatory space, is the bedrock of any open and democratic society. When civic space is open and vast, citizens and civil society organisations are able to organise, participate and communicate freely without any obstacles or fear. In doing so, they are able to claim their rights and communicate and influence the political and social structures around them. Though, civil society in India is fully supportive of any initiatives for ensuring transparency and accountability of the sector, there is an increasing concern about the restrictions and over regulation of the sector.

There are also issues with the capacity of CSOs. Some of the common issues are lack of management, lack leadership and problem solving skills, lack of awareness of the changes in new rules and regulations, poor financial and statutory compliance, internal governance, ignorance of Foreign Contribution Regulation Act (FCRA), ineffective management of projects, less importance given to documentation etc., all of which leads to great deal of mistrust in the country. Many of the CSOs are working in remote rural areas where there is no access to internet services and many NGOs don't have their own websites as well.

Capacity Building Workshops

Consumer Unity & Trust Society (CUTS International) is organising two capacity building workshops for CSOs in India of 2 days each, one in North and one in South India with the support of The U.S. Embassy in India, New Delhi. The capacity building workshop will bring together representatives from leading think tanks, civil society organisations (CSOs), and law firms practicing non-profit law to share best practices for enhancing self-governance and transparency.

The aim is to strengthen the skills and capacity of CSOs to develop their leadership, problem-solving skills and overcome challenges at all levels. The focus areas will be the importance of quality documentation, effective management of projects, financial and statutory compliance, responsible internal governance, FCRA laws, GST regulations, DARPAN registrations, and banking compliances. There will be 25 participants in each workshop from leading CSOs and think tanks from various parts of the country. Representatives from Ministry of Home Affairs, NITI Aayog, policymakers, academia, US Embassy and other experts in the field are expected to lead the theme based sessions.

Sessions will be focused on sharing best practices to improve the working environment of CSOs, develop CSOs capacity to compete for and manage grants and promote learning and networking opportunities through parallel sessions on themes of strategic relevance to U.S-India ties, social-cultural activities and service-based learning.

The event will provide an excellent opportunity and common platform for participants for the exchange of ideas, sharing and learning, networking with stakeholders and work together as a team to build New India where inclusive development is a norm and democracy is strengthened to highest level. Overall, improved capacity of CSOs will be helpful in better management of grants and development projects which will strengthen social and cultural relations of India with other countries.