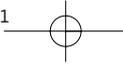


Annual Report 2002/2003

The International NGO Training and Research Centre **INTRAC**



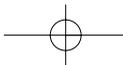
INTRAC'S MISSION STATEMENT

INTRAC provides training, consultancy and research services to organisations involved in international development and relief. Our goal is to improve civil society performance by exploring policy issues and by strengthening management and organisational effectiveness.

INTRAC believes in the importance of Civil Society Organisations (CSOs) as alternative and independent actors working for sustainable development in a just, civil society. By way of definition, we see CSOs as having their origins outside the state and the for-profit market. Maintaining and valuing a degree of autonomy, they have the potential to provide alternative views, policies and actions to those promoted by government or the private sector.

INTRAC is committed to protecting and promoting the values of social justice, empowerment and participation of the poorest and most marginalised groups. INTRAC contributes to this objective by strengthening the organisational and management capacity of Non-Governmental Organisations (NGOs). To this end, it analyses and disseminates information on global trends in this field, and supports institutional development in the NGO/civil society sector, insisting on a multi-stakeholder approach which includes all those engaged in international development.

We are an NGO that serves civil society. Our approaches and activities derive from the experience of the NGO community. The skills of our core staff are complemented by specialist Associates who play a significant part in our training, consultancy and research. In these two ways we seek to ensure that our services are fully relevant and of the highest quality.



MESSAGE FROM THE OUTGOING CHAIRMAN OF THE TRUSTEES

I have had the privilege of chairing the Board during INTRAC's second phase between 1998 and 2003, one of growth and consolidation following the initial pioneering phase since its foundation in 1991. Gradually, management structures suitable for a medium-sized organisation were put in place, including a finance committee, a tier of directors, more accurate budgeting, regular risk analysis, and systematic staff appraisals. However, INTRAC still benefits from the vision, experience and commitment of its founding executive director, Brian Pratt, and from being small enough to remain a face-to-face community united by common values. All who know it are impressed by the high motivation of the staff and the extended INTRAC family.

The fifth INTRAC conference on monitoring and evaluation, organised with great professionalism in the Netherlands in the spring of 2003, was attended by representatives of leading NGOs from all over the world in a markedly cosmopolitan ambience, and marks a notable ratcheting-up in INTRAC's scale of activities. Shortly before this conference, we had confirmation of the major grant from the Dutch Government – described below in the Executive Director's report – which will greatly enhance INTRAC's ability to plan ahead and maximise its impact. In particular, the Board sees great potential in the research and publications side of INTRAC's work which is ready to take on a life of its own.

To single out one programme from the past year, the work done in Malawi would seem to be particularly innovative: whether in drawing attention to the specific damage done by HIV/AIDS to the NGO system in Malawi as well as to the society at large, or in pointing out that the new, Western derived principles of 'participatory management' have exact parallels in traditional African decision-making practices.

The financial success of INTRAC, with net assets now a healthy £416,000 or 27% of turnover, gives it an enviable stability in the fast-changing world of NGOs where it is all too easy to become dependent on a few sources of income. In stepping down from the chair, I would like to commend INTRAC to the attention of major funding agencies, especially those willing, like the Dutch Foreign Ministry, to put special emphasis on rewarding an excellent track record. While contractual relations are normal for our consultancy



MESSAGE FROM THE OUTGOING CHAIRMAN OF THE TRUSTEES

work, as opposed to grant-aided programmes, one of the minor difficulties we have faced in the last year is a trend towards unnecessarily prolix and legalistic contracts which we are often asked to sign – not, we feel, a healthy trend in the NGO sector.

During the year under review, we welcomed Peter Poore to the Board. As we drew towards the end of the financial year we had to plan for several further changes taking place in Board membership in June: I hand over the chair with confidence to Bill Jackson; under our self-imposed rules to ensure rotation of Board members, Elizabeth Stamp, one of the founders of INTRAC, steps down after twelve years of service; two other long-serving and highly valued members of the Board, Rosemary Preston and Lesley Roberts, also step down. Our heartfelt thanks are extended to these Board members who will be greatly missed.



REPORT FROM THE EXECUTIVE DIRECTOR

We have had a very productive year again, although our successes have not always come easily. INTRAC has successfully come through a period that has been difficult for many international development NGOs, in which uncertainties and falling income have hit hard. INTRAC, however, has emerged with a stronger and enviable financial situation, and a robust team of staff, Board members and associates.

Changing funding patterns have led many small and medium NGOs to flounder, whilst changes in the consultancy market have contributed to uncertainty. We became aware of some of these negative trends at the beginning of the financial year and were able to counter them through careful strategic choices. As a result of these precautions we finished the year with an increase of about 20% in our turnover and a significant contribution to our reserve fund. Thus, despite the slow start, we were able to attract new work with a range of new clients, including many of the larger international NGOs with which we had not worked previously.

INTRAC has managed to adapt to these changing circumstances in a way that matches its commitment to flexibility: responding to shifting needs and not sticking to dated approaches no longer relevant to or desired by those with whom we work. Our ability to identify some of these changes and act accordingly has led many people to ask for our assistance in understanding and adapting to the new circumstances. It is worth reflecting briefly on some of these trends, the most salient of which are listed below.

- 1) Several of the largest INGOs (international non-governmental organisations) have been exploring ways in which they can move away from direct service delivery and instead develop ways of working with local partners. This has led INTRAC to take up an advisory and mentoring role for these organisations both at headquarters (HQ) and country office level. Some examples are included in the list of work at the back of the report.
- 2) Meanwhile, many small and medium-sized agencies have faced an increasingly difficult funding situation. One solution taken up by some has been to reduce HQ costs by moving their operations to the

REPORT FROM THE EXECUTIVE DIRECTOR

developing world; others have been obliged to consider mergers and cost cutting solutions. Funding constraints are clearly linked, in some cases, to a major re-evaluation by official donors of certain forms of capacity building, including the use of personnel, whether through “technical assistance”, “volunteering” or other means. Some donors are reducing their support for the use of non-national staff in favour of locally recruited personnel.

- 3) There is an increasing trend amongst official donors to focus on funding civil society in-country, through different forms of “Direct Funding”, which in turn reduces the importance of INGOs as sources of funding. Through both its research and consultancy, INTRAC has maintained dialogue with the different stakeholders affected by this trend. A growing concern for many is the assumption that civil society groups will, in future, receive all of their support through local state structures. In light of the undemocratic history of so many developing and transitional countries, this presents an enormous risk for the long-term development of autonomous and independent civil societies.
- 4) INTRAC has engaged with the struggles of civil society in countries undergoing transition from autocratic central control, often in very different contexts. Many of the traditional responses from international aid agencies seem inappropriate, or are even openly rejected by people undergoing transition. This is not surprising given the often high levels of education and expectation in, for example, the former Soviet Union. Development models are often rejected because they are seen as owing too much to the systems they have just left behind (for example community based development, co-operatives, pro-poor policies).
- 5) The trends noted here have contributed to sometimes dramatic changes in relationships between different important development actors. They have impacted upon the links between Northern and Southern NGOs, NGOs and a range of donors, civil society and NGOs, civil society and community groups and newly “decentralised local government”. New alliances are being forged as fast as old ones are being allowed to die. Some of the new partnerships are seen as

REPORT FROM THE EXECUTIVE DIRECTOR

positive, whilst others mourn the passing of decade-long working relationships, as funding and other trends affect both the manner in which people work and the projects they work on. A great deal of INTRAC work can be traced to the need to adapt to or understand the new geography of relationships between development actors.

Looking closer to home, we decided to ensure that “consultancy” did not unduly dominate our activities, by making a concerted effort to obtain grant funding for some of our key thematic areas. We were rewarded at the end of the year with the approval, from the Dutch Foreign Ministry, for thematic funding of our research and action learning around capacity building (our Praxis programme). We were also successful in ensuring support for the 5th International Conference on Evaluating Social Development, which was held at the very end of our financial year. We expect the latter two programmes to help to revitalise our research agenda, providing the capacity and the opportunity to focus on the strategic issues surrounding relief and development. The secondment of a long-time Associate, David Marsden, from the World Bank helped us re-think our research focus and begin to prepare new areas of research activity. Related to this was the development of a new analytical skills training course in Central Asia, which we hope will become a template for similar programmes elsewhere. Similarly we invested our own resources in exploring and putting in operation an enhanced understanding of gender in our global programme, whilst our work in Malawi looked specifically at the challenges of HIV/Aids to various forms of development in the country.

In Central Asia our years of investment are beginning to show visible results. For example, it was gratifying to see that post-conflict, many of the NGOs emerging in Tajikistan were led by people who, over the years, had benefited from our work in the region, despite the fact that INTRAC’s work had previously been constrained by the situation in the country.

Much of our longer term research work is now also paying dividends in terms of crucial areas such as Community Development. The Malawi programme has already produced a great deal of material, reflected in the current and forthcoming publications list, where specific learning-points on issues around organisational development, leadership and capacity

REPORT FROM THE EXECUTIVE DIRECTOR

building, have been presented to a wider audience. Indeed, dissemination of our work through training, workshops, consultancy, publishing and electronic media constitutes one of our core aims and distinguishes us from both academic and commercial consultancy.

During 2002-03 we were able to develop further our international network of alliances and collaborators. Whilst some programmes and events consolidated long-standing relationships in India, Africa and Central Asia, we were fortunate to have the opportunity of exploring new programmes in areas as diverse as China, Japan, and the Middle East. We were also able to renew contacts in Latin America. The coming year should see further work in adding greater depth to some of these relationships.

We shall also continue to focus on the development of civil society in different parts of the world. The new Praxis programme should also enable us to deepen our understanding of what does and does not work in the field of capacity building. We will continue to develop our international training programme and consultancy work; we will also seek to glean insight from our programme experience in Malawi and Central Asia and look for possible application elsewhere.

Finally, I would like to add my personal word of thanks for the support of the wider INTRAC network which, besides encompassing our ever hard-working staff, includes our Associates, Friends, a wide range of consultants and partners internationally. Appreciation is also extended to those agencies who repeatedly return to INTRAC for services, and provide an indicator of our worth and success. Last but not least, I would personally wish to thank our Board members who regularly help us deal with the demands of our complex programme. To those people who wonder why boards are necessary in the voluntary sector, I need only to point to the incredible support INTRAC has received at various levels, during this and previous years, from its Board members.

Brian Pratt, Oxford

FINANCIAL REPORT

For the year ending 31 March 2003

**Summary of accounts
BALANCE SHEET
As at 31st March 2003**

	2003 £	2002 £
FIXED ASSETS		
Fixed Assets	15,345	14,276
CURRENT ASSETS		
Stocks (books for resale)	26,632	27,233
Debtors	321,641	186,037
Work in Progress	34,720	48,378
Cash at bank and in hand	267,755	226,285
	<u>650,748</u>	<u>487,933</u>
CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR	250,479	236,122
NET CURRENT ASSETS	<u>400,269</u>	<u>251,811</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>415,614</u>	<u>266,087</u>
NET ASSETS	<u>415,614</u>	<u>266,087</u>
INCOME FUNDS		
Restricted funds	12,037	4,628
Unrestricted Funds		
Designated Funds	6,578	20,720
Other Charitable Funds	396,999	240,739
	<u>415,614</u>	<u>266,087</u>

FINANCIAL REPORT

For year ending 31 March 2003 INCOMING RESOURCES

	2003 Restricted Funds	2003 Unrestricted Funds Designated	2003 Unrestricted Funds Other	2003 Total	2002 Total
	£	£	£	£	£
Research Grants	225,885	0	0	225,885	239,337
Programme Grants	39,968	0	0	39,968	43,260
Fee Income	57,914	1,543	956,743	1,016,200	769,773
Publications	(18)	0	26,628	26,610	20,999
Miscellaneous Income	456	0	330	786	967
Reimbursed Expenses	1,687	0	255,226	256,913	175,377
Change in Deferred Income	(51,887)	0	14,973	(36,914)	(10,053)
Change in Work in Progress	4,679	0	(18,337)	(13,658)	(15,200)
Investment Income	33	0	2,239	2,272	2,706
TOTAL	278,717	1,543	1,237,802	1,518,062	1,227,166

RESOURCES EXPENDED

Direct charitable expenditure	266,986	15,685	897,553	1,180,224	1,034,568
Management and administration costs	0	0	188,311	188,311	123,031
Total resources expended	266,986	15,685	1,085,864	1,368,535	1,157,599
Net (outgoing)/incoming resources before transfers	11,731	(14,142)	151,938	149,527	69,567
Transfers between funds	(4,322)	0	4,322	0	0
Net movement in funds	7,409	(14,142)	156,260	149,527	69,567
Funds brought forward at 31st April 2002	4,628	20,720	240,739	266,087	196,520
Funds carried forward at 31st March 2003	12,037	6,578	396,999	415,614	266,087

PUBLICATIONS

Non-Governmental Organisation Management and Policy Series (NGOMPS)

Carol Sahley and Brian Pratt, NGO Responses to Urban Poverty: Service Providers or Partners in Planning?, NGOMPS No. 9, 2003

Rick James, People and Change: Reflections on Capacity Building in African NGOs, NGOMPS No. 15, 2002

INTRAC, Changing Expectations? The Concept and Practice of Civil Society in International Development, NGOMPS No 16, 2003

INTRAC Occasional Papers Series (OPS)

Rick James, What Makes CSO Coalitions Effective? Lessons from Malawi, OPS No 38, 2002

Rick James, Leaders Changing Inside Out, OPS No 43, 2003

New Praxis Series

Oliver Bakewell, Sharpening the Development Process, Praxis Guide 1, 2003

Forthcoming

Simon Heap, The Development of Civil Society in Central Asia: "From My Private House to the White House", NGOMPS No 17 and 17a (Russian version) 2004

INTRAC, Creativity and Constraint, Monitoring and Evaluation from the 5th Evaluation Conference, NGOMPS No 18, 2004

Esther Mebrahtu, Monitoring and Evaluation, 2004

Jonathan Goodhand, NGOs Aid and Conflict, 2004

Anne Garbutt and Simon Heap, Growing Civil Society in Central Asia: First INTRAC Regional Conference, OPS No 39 and 39a (Russian), 2004

Vicky Brehm, Emma Harris-Curtis, Martin Tanner, North-South Partnerships: Fostering Autonomy or Creating Dependence?, 2004

Emma Harris-Curtis, Rights based Approaches, OPS No 41, 2004

Anne Garbutt, Charles Buxton, Monitoring & Evaluation in Central Asia: 2nd INTRAC Regional Conference, OPS No 42, 2004

FUNDERS

INTRAC would like to thank the following:

APSO (Agency for Personal Service Overseas), Ireland
CAFOD (Catholic Agency for Overseas Development), UK
Christian Aid, UK
Concern, Ireland
Cordaid (Catholic Organisation for Relief and Development), The Netherlands
Danchurchaid, Denmark
DFID (Department for International Development), UK
Dutch Foreign Ministry
ISCA (International Save the Children Alliance)
MS Denmark (Mellempfolkeligt Samvirke Denmark)
Norwegian Churchaid
Oxfam UK/I
SIDA (Swedish International Development Agency)
South Research, Belgium
UN Research Institute

INTRAC AFFILIATIONS

British Overseas NGOs in Development (BOND), now incorporating the UK Platform of the EU-NGO Liaison Committee

CIVICUS – World Alliance for Citizen Participation

Development Studies Association (DSA)

International Forum on Capacity Building (IFCB)

International Society for Third Sector Research (ISTR)

National Council of Voluntary Organisations (NCVO)

OneWorld Online

INTRAC PEOPLE

INTRAC TRUSTEES (for the period 01 April 2002 to 31 March 2003)

Jonathan Benthall (Chair)
 Anne Coles (Vice Chair)
 James Rowland (Treasurer)
 Derek Roebuck (Company Secretary)
 Bill Jackson
 Peter Poore (from 07/02)
 Rosemary Preston
 Lesley Roberts
 Ed Ross
 Elizabeth Stamp

INTRAC STAFF

Jerry Adams	Senior Consultant/Team Leader
Lola Abdusalaymova	Country Manager, Central Asia Programme (from 10/01)
Ceri Angood	Conference Organiser
John Beauclerk	Programme Manager – Central and Eastern Europe/Mediterranean
Carol Beaumont	Finance Assistant (from 08/02)
Rebecca Blackshaw	Training & Logistics Co-ordinator
Vicky Brehm	Researcher
Barbara Brubacher	Research Assistant (from 11/02)
Charles Buxton	Regional Manager, Central Asia Programme
Lorraine Collett	Office Manager/PA to the Executive Director (to 07/02)
Michael Davis	Research Assistant (to 11/02)
Lucy Earle	Research Assistant (from 11/02)
Simon Forrester	Country Manager, Central Asia Programme
Anne Garbutt	Former Soviet Union Regional Manager
Janice Giffen	Capacity Building Materials Development Advisor

INTRAC PEOPLE

Emma Harris-Curtis	Information Officer
Simon Heap	Senior Researcher
Peter Howlett	Director of Finance (from 05/02)
Rick James	Senior Trainer/Consultant, Malawi
Laura Jarvie	Information Officer
Natasha Laptieva	Programme Assistant, Central Asia Programme
Brenda Lipson	Director of Training and Capacity Building
David Marsden	Director of Research (from 02/01-02/02)
Sarah Methven	Training and Capacity Building Manager
Roberta O'Neill	Administrative Assistant, Central Asia Programme
Brian Pratt	Executive Director
Fiona Shickle	Director of Finance and Administration (to 06/02)
Indrani Sigamany	Training and Capacity Building Manager
Tasha Thurlow	Administrative Assistant
Lola Umatalieva	Programme Assistant, Central Asia Programme
Shelagh Windsor-Richards	Office Manager (from 08/02)

INTRAC ASSOCIATES

Vesna Bosnjak	Maria Cristina Garcia	Mira Savara
Jo Boyden	Jonathan Goodhand	Martin Scurrah
Bruce Britton	Hugh Goyder	Mark Sinclair
John Cammack	John Hailey	Hugo Slim
Piers Campbell	Peter Loizos	Ian Smillie
Robert Chambers	Raj Patel	Leo Thomas
Chris Dammers	Max Peberdy	Mariano Valerrama
Sue Elliott	Mark Robinson	Chris Wardle
Alan Fowler	Carol Sahley	Fritz Wills

CONSULTANCIES

ADRA, (Adventist Development and Relief Agency International), Malawi
American University, Beirut

Amnesty International Secretariat

APSO (Agency for Personal Service Overseas)

BOND (British Overseas NGOs Development), UK

British Council – China

CARE Bangladesh

CARE Denmark and Uganda

Carl Bro Finance

Charities Aid Foundation, Russia

Christian Children's Fund Geneva

Christian Children's Fund, Global

Christian Aid

CIDSE (International Co-operation for Development and Solidarity), Laos

CIDSE – Italy

CIDSE – Cambodia, Laos & Vietnam

Concern – Cambodia

Concern – Bangladesh

CONTEXT, Holland

CORAT (Christian Organisations Research Advisory Trust)

CORDAID (Catholic Organisation for Relief and Development), E Europe

CORRIDOR, Bosnia

DanChurchAid, Denmark

DanChurchAid/Norwegian ChurchAid

Danish Environment and Development Network

DFID (Dept for International Development)

DFID CSEED (Central and Southern Eastern Europe Department)

Facilitating a workshop of partnership learning

Financial Management training for Lebanese/Palestinian NGOs

Middle East NGO summer school – Financial management training, participatory poverty assessments, organisational development and change

Training for Financial Managers Capacity assessment of membership development work

Monitoring & evaluation courses in emergency management in development & relief operations

Research into civil society in participation in EU programmes

NGO Management and Leadership Course

Capacity Building advice to Bangladesh partners

Review of change process from operational to partnership methods of working

DFID Kyrgyz water project – community development

Training and design for monitoring & evaluation

Strategy renewal support

Child poverty study

Impact Assessment course, London

Review of Laos field office

Consultancy on performance indicators

Change consultancy for CLV Programme

Mid term of capacity building programme in Cambodia

Review of community level capacity building programme

Technical assistance workshop

Organisation Development & churches workshop

Support to regional Roma organisation

Human resources management training

Advocacy training course

Workshop support

Input on partnership at workshop

Conflict Manual

Review of regional Roma programme

CONSULTANCIES

DFID, Uganda	Review of DFID Civil Society Umbrella Programme
DFID ESCOR (Economic and Social Research)	Research civil society in Central Asia
DFID, Europe & Central Asia Dept	Project completion report of Minority Rights Group Democracy and Diversity Programme
DFID, Europe & Central Asia Dept	Central Asia Civil Society Strengthening Programme (ICAP)
DFID, Poland	Paper on NGO development role for Warsaw Conference for accession countries
DFID Transform, Malawi	Vision/mission consultancy
DRC (Danish Refugee Council), Serbia	Human resource management course for management staff
European Union, Uganda	Scoping mission for civil society programme linked to Cotonou process
EuronAid, Holland	Monitoring & evaluation training for partner organisations in Sudan
Everychild, UK	One day facilitation on partnership and Organisation Development
Groundwork UK Youth & Community	Workshop on issues of community advocacy Conference
ICCO (Inter-Church Aid), Netherlands	Organisation development course
International HIV/Aids Alliance	To develop a framework for monitoring & evaluation for capacity building
IRDD (International Rural Development Department) Reading University	Relationship research – Guatemala case study
Karuna Trust, UK	Programme management review
Macedonian Centre for International Co-operation	Capacity building programme
Ministry of Foreign Affairs, Japan (assessment, training, UK exposure visit)	Support to Japanese development NGOs
Minority Rights Group	Equal opportunities training
MS MS (Mellempfolkeligt Samvirke) Denmark/Norwegian Church Aid/ Save the Children Fund Norway	Partnership research phase 2 of three field case studies in Tanzania, Cambodia and Brazil
Multiple Sclerosis Society International	Facilitation of one-day multi-stakeholder workshop
NOVIB (Netherlands Organisation for International Development)	Evaluation of disability organisations in the Caucasus
NOVIB, Albania	Organisational assessment of Albanian disability NGO
Oak Foundation Geneva	COMPASS civil society / local government project design support
OSCE (Organisation for Security and Co-operation in Europe) – Croatia	Review of child trafficking proposal in 4 Balkan & SE European countries
	NGO modular training programme

CONSULTANCIES

Oxfam, Brazil	National Resource Mobilisation Workshop
Oxfam, GB	Monitoring & evaluation training for Humanitarian Department
Oxfam, Kosovo	Capacity building for local community/ municipal engagement
Oxfam-Cordaid, Malawi	Malawi Organisation development programme
Oxfam, Malawi	Research into civil society involvement in PRAP HIV/AIDS training for capacity building providers
Personnel Service Overseas, Holland	Participation in panel on capacity building
Plan International	Technical support to the evaluation of a Human Resource Development Programme
Safer World/Kenya	Training for trainers on Cotonou preferential trade agreement for European Union & ACP (Africa/ Caribbean & Pacific)
SAP (South Asia Partnership International Board) (CIDA)	2 country study of Children's perceptions of participatory approaches employed in humanitarian assistance programmes
Save the Children, Norway	Relationship research, Cambodia
Save the Children, Red Barnet, Uganda	Country Programme Review
SIDA (Swedish International Development Agency) Civil Society Center	Impact assessment workshop
Sight Savers International – Bangladesh	Strategic planning training
Sight Savers, UK	Advice on organisational assessment tools
SNV (Netherlands Development Organisation)	Monitoring & evaluation of capacity building workshop
Umoyo Network Malawi	Evaluation of HIV/Aids Network
UN Staff College (United Nations)	Global learning network on partnership
UN Volunteers, Bonn	Review on volunteers within Technical Cooperation for Community Development
UNDP (United Nations Development Programme), Montenegro	Evaluation of UNDP NGO Capacity Building Programme
UNRISD (United Nations Research Institute for Social Development)	Paper on CBOs in rural Central Asia
Volunteer Missionary Movement, Ireland	Organisational change workshop
World Vision International	Production of an advocacy training manual
WWF (World-wide Fund for Nature) – UK	Development of Organisational Assessment (OA) Tools
Imperial College London at Wye	Materials development for at distance NGO Management Course