# Review of the History of Establishment and Development of the NGO Sector in the Kyrgyz Republic

by

# the Assiociation of Civil Society Support Centers

Bishkek 2006

Published with assistance from the Aga Khan Development Network – Civil Society Programme

For more information about the AKDN Civil Society Programme, please see http://www.akdn.org/civil\_society.asp

# TABLE OF CONTENT

Chapter 1. Peculiarities of the Political and Social-Economic Environment in Kyrgyzsta	
at the Time of the NGO Sector Development	
1.1 Characteristics of the Political Environment	
1.2 Characteristic Features of the Legal Regulatory Environment in Early 1990-s	9
1.3 Peculiarities of the Social and Economical Environment in 1985-1994	10
1.4 Objective Framework for the Activities of NGOs	13
Chapter 2. Establishment and Development of the NGO Sector in the Kyrgyz Republic	
(1985-2004)	
2.1 History of the NGO Sector Studies in the Kyrgyz Republic	
2.2 Issue of Periods in the History of the NGO Sector Development	
2.3 The First Stage of the Civil Sector Development (1985 – 1994)	19
2.4 Second Stage of the NGO Sector Development (1995 – 2004)	27
2.5 Various Classifications and Characteristics of the NGO Sector in the Kyrgyz	
Republic	36
2.6 Characteristic Features of the Interaction between NGOs, Coalitions and Associations of NGOs Across the Sector	40
2.7 Success Stories of Some NGOs of Kyrgyzstan in the Context of the Third Sector	10
Development	45
CHAPTER 3. Specifics of Relations Among the Three Sectors. International Organisat	
Activities on NGO Sector Development	
3.1 Peculiarities of Relations of Public and Nongovernmental Sector in 1990-2000	
3.2 Peculiarities of Relations of Public and Nongovernmental Sector in 2000-2004	
3.3 Charity, Corporate Social Responsibility and Social Entrepreneurship	
3.4 Activities and Policy of International Organisations in Kyrgyzstan	
Chapter 4. Current Status of Legal Status of a Noncommercial Organisation	
4.1 Dynamics of Changes in Legislative Framework Regulating Activity of	00
Noncommercial Organisations	80
4.2 Modern Legal Regulatory Environment of Nongovernmental Sector: Basic Const	
and New Paradigms	83
4.3 Peculiarities of Organisational and Legal Forms of Noncommercial Organisation	
the Modern Stagethe Modern Stage is the Modern Stage is a stage in the Modern Stage is a stage in the Modern Stage in the Modern Stage is a stage in the Modern Stage in the Modern Stage is a stage in the Modern Stage in the Modern Stage in the Modern Stage is a stage in the Modern Stage in the Moder	
4.4 Peculiarity of Legal Regulation of Establishment and Activities of Charitable	63
Organisations	88
4.5 Tendencies and Perspectives of Legislation Development on Noncommercial	00
<u>.</u>	00
Organisations	
Chapter 5. Specifics of Kyrgyz NGO Sector Development at Modern Stage	
5.1 Modern Context of NGO Development in Kyrgyzstan	
5.2 Achievements and Capacity of NGO Sector under Modern Conditions	
5.3 Difficulties and Challenges of NGO Sector at Modern Stage	
5. 4 Modern Tendencies of Noncommercial Sector Development in Kyrgyzstan	
5.5 Perspectives of NGO Sector Development in Kyrgyzstan	
Glossary of Noncommercial Sector Terms	
Informational Resources for Nongovernmental Organisations	
Bio of Authors	139

#### Introduction

Dear readers,

You are reading the "Review of the History of Establishment and Development of the NGO Sector in the Kyrgyz Republic". This publication has been prepared for the Association of Civil Society Support Centres within the framework of the informational and analytical programme "NGOs of Kyrgyzstan: Yesterday, Today and Tomorrow".

The group of co-authors, including Anara Alymkulova, Aida Alymbaeva, Natalia Alenkina, Bermet Stakeeva, Nurdin Satarov and Elmira Shishkaraeva, associated with the Social Research Centre of the American University in the Central Asia (AUCA) were awarded the tender for this Review in an open competition. Preparation of the application and discussion of the Review's contents has been greatly helped by Nurgul Beishekeeva of AUCA. We would also like to thank the ACSSC Executive Director Erkingul Ubysheva, who has taken time to discuss the review and given of her professional experience and knowledge for the writing of the last chapter.

In the terms of reference for this project, the ACSSC has emphasised that, in spite of an over decade old history of development of the NGO sector in the Kyrgyz Republic, no consistent analysis or study of its development environment, main stakeholders, or the factors affecting both external and internal development environments has ever taken place. As of today, there is not a single publication, in the Kyrgyz or Russian language, that gives a comprehensive description of the historic context for the development of the NGO sector in the Kyrgyz Republic, or of the characteristic features of the political, social, economic, and legal environment which have conditioned the sector's growth. Study of the sector's development history, in addition to better knowledge of the fundamental aspects of the civil society development in post-Soviet Kyrgyzstan, is essential in order to understand more profoundly the current situation in the sector, and the factors and key actors that determine the discourse of civil society's development.

Currently, the third sector in the Kyrgyz Republic is at the stage of development and formation as a social institution. This process is characterised by the following factors: the number of NGOs; the existing legislative framework; the relative sustainability of non-governmental organisations, including organisational and financial sustainability; their place and role in public relations; their level of interaction with the public sector; and their recognition at the international level.

The third sector has found its niche in the structure of society with confidence. Today, the public sector, with its limited resources and limited expertise, is not always in a good position to respond to the challenges and problems in society. These problems are aggravated by the current economic crisis and conservative approaches employed by governmental social institutions. Social services delivered by NGOs in the Kyrgyz Republic have long been successfully competing with public services. It is also important to underline that target groups chosen by NGOs in most cases are among the most vulnerable people in the country: street children, orphans, HIV-infected, elderly, and so on. These are social groups in acute need of assistance, falling outwith the main scope of state-funded programmes.

NGOs in the Kyrgyz Republic are the most important actors affirming the path of Kyrgyzstan towards having democratisation and promotion of basic human rights as national development priorities. The most recent events in this country have revealed an integral political aspect of the role NGOs play as mediators and active participants in the process, involving meetings and negotiations at the highest levels. Kyrgyz NGOs, regardless of the particular field of their

respective activities, have realised that even local problems in society cannot be addressed in the absence of changes in the legal, social, economic and political environments. More details of the diverse activities and contributions of the NGO sector for the development of society have been provided in chapters 2 and 5 of this Review.

The third sector has recently been increasingly acknowledged by the public sector as its major social partner, whilst NGOs have been broadly involved in development and implementation of state social, legal and environmental programmes. Unfortunately, there is not much interaction between NGOs and the business community in the Kyrgyz Republic, because of, *inter alia*, the legislative framework. This situation is addressed in the third and the fourth chapters of this Review. The third chapter also discusses the activities of various international organisations in the Kyrgyz Republic.

For the purposes of this Review, the co-authors have used the notion of a "non-governmental organisation" (NGO) as a commonly accepted term, broadly used in the Kyrgyz Republic and having international origins. Legislation in the Kyrgyz Republic uses another term: "nonprofit" organisation. Popular use of the term "non-governmental organisation" is connected to the presence of international and foreign donor agencies supporting local NGOs. In the international model, the term "non-governmental organisation" may not apply to political parties, trade unions, political movements, religious and sports organisations. NGOs possess a number of distinct characteristic features. Firstly, such organisations do not focus on profit-making activities and distribution of profits among their stakeholders. Secondly, their assets are not in state or municipal possession. Thus, an NGO is a nongovernmental nonprofit organisation, whereas a nonprofit organisation may fall under public or private ownership. There are vivid examples of public nonprofit organisations, such as museums, libraries, universities, schools, hospitals and so on. The notion of a nonprofit organisation is broader than that of a non-governmental organisation. However, all the aspects of legal regulation of nonprofit organisations equally apply to NGOs, since the latter fall under the general category of nonprofit organisations.

In the preparation of this Review, the co-authors have sought to conduct a comprehensive analysis of secondary sources (reviews, publications, reports) regarding the development of the non-governmental sector and a review of the legislative framework of the Kyrgyz Republic. The authors have also carried out a series of interviews with NGO leaders and experts dealing with civil society studies. Therefore, this publication does not build upon isolated long-term research, but rather presents a consolidation of resource materials regarding the environment, events and people who deal with the development of civil society in this country. This has been the first attempt of its kind to present such a consolidated set of materials in the Kyrgyz, Russian and English languages intended for a broad audience. The co-authors are hopeful that publication will stimulate interest among academic circles in the subjects under consideration and induce further studies and publications dedicated to civil society in the country and the region.

By Elmira Shishkaraeva Leader, Group of Co-authors

### Chapter 1. Peculiarities of the Political and Social-Economic Environment in Kyrgyzstan at the Time of the NGO Sector Development<sup>1</sup>

#### 1.1 Characteristics of the Political Environment

In a democracy, the presence of three independent sectors, the business sector, public sector and civil society, is an integral indicator of the nation's development. Each of the three sectors must take care of certain functions: the business sector produces market capital; the public sector creates public capital; and civil society generates social capital. It is well known that sustainable development of the non governmental sector depends directly on the performance of both the public and the non-commercial sectors. Therefore, it is necessary to promote an environment in which the non-commercial sector can be seen as an equal partner in the political arena at both the local and central levels in order to protect and promote the interests of citizens in the decision making process and in development of political solutions to the satisfaction of all stakeholders. According to Dr. Julie Fisher, an NGO researcher, reorientation of political debate towards a tripartite model under which civil society is positioned centrally, between the business and public sectors, would fundamentally change the very nature of the political discourse, in addition to creating new opportunities for rethinking the framework for policy development and economic performance.<sup>2</sup>

The western model regards civil society as an important element for building a pluralistic state that, in turn is believed in western countries to be a pre-requisite for successful performance of a market economy. In this context, the role of the state is to put in place leverage enabling citizens to have open access to the decision making process so that the views and interests of various social groups within society are taken into account in the process of policy development in different spheres. NGOs, ideally, should be involved into the full cycle of the decision making process, including involvement in creating the political agenda; development of and lobbying for alternative programmes; and implementation, monitoring and evaluation of selected policies. Being involved in the full cycle of the decision making process, NGOs, therefore, fulfill another function of control over activities of state and governmental agencies, thus stimulating a sense of responsibility among civil servants and public officials for the decisions they make and actions they take.

The business sector also has some links to the non-governmental sector: both direct and indirect. The direct link has to do with provision of financial and other resources directly to NGOs in order to implement various projects designed to address certain social and economic problems. In addition, private businesses in cooperation with non-governmental and public organisations implement joint projects as a part of social partnership programmes. In the last two decades, private businesses have started establishing their own funds and nonprofit institutions (for example, Soros Foundation, Ford's Fund, and Volkswagen Stiftung). Being increasingly involved in the implementation of diverse social and economic programmes and support for NGOs, businesses fulfil their social responsibility to society. The indirect links between NGOs and the business community are established through collection of taxes for the state budget which enable the state to support various initiatives, including NGO led programmes at both central and local levels.

The roots of political pluralism in the Kyrgyz Republic as well as in other former Soviet republics date back to the later period of Gorbachev's power. By the end of the 1980s, some early "informal groups" emerged, to the criticism of the Communist party and public forces trying to retain the obsolete system. Such informal groups primarily consisted of young

<sup>&</sup>lt;sup>1</sup> Co-authored by Aida Alymbaeva and Bermet Stakeeva.

<sup>&</sup>lt;sup>2</sup> Julie Fisher NGOs and Political Development of the Third World (Connecticut, USA: Kumarian Press, 1998).

Communist and Komsomol leaders that belonged to the secondary echelons.<sup>3</sup> One of the leading informal groups active in the late 1980s, the so called "Democratic Movement of Kyrgyzstan" was later transformed into a major political party (1993).

One may refer to the early 1990s (1991 to 1994) as a period of political uncertainty. In the early 1990s the majority of the population could not understand the reasons for the collapse of the formerly "enduring" Soviet Union nor comprehend the depth of the events underway in the country following the declaration of independence of the Kyrgyz Republic, which occurred despite the absence of political struggle. In effect, almost everyone in Kyrgyzstan was opposed to the dissolution of the USSR, and sincerely trusted in the re-unification of the former Soviet Union in the near future. As a result, citizens in the early 1990s were not prepared for or committed to major changes or to immediate active involvement in political and social and economic reforms.

At the same time, the political leadership of the country, originating primarily from the old bureaucracy, was not able to determine the challenges and risks facing the country in building a new sovereign state. Realising that the old system and former ideals could not be returned to, the leaders of the country, supported by the cultural and intellectual elites, officially declared a political direction towards the creation of a democratic state with a market economy of the western type. One needs, however, to take into account the fact that many formerly Communist party bureaucrats at both the central and local levels saw the political history of the country having no future in the absence of their propaganda machinery. Under these circumstances, that group of people rushed to switch from their old political beliefs to new and democratic ones. The new old leadership of the country was busy distributing funds that used to belong to the former Communist Party, thus significantly strengthening their own positions in respect to the decision making process and national policies.<sup>4</sup> Ministerial portfolios in the government were shared out by former communist leaders and bureaucrats. Most seats in the parliament, still called the Supreme Council, were then also taken by representatives of the same tiny sector of the population (it was only in February-March 1995) that national elections to the bicameral parliament called the Jogorku Kenesh took place for the first time).

Initial steps aimed at building a democratic society had been taken in the country in order to implement political reforms designed primarily to create a pluralistic society, in which freedom of expression and views could be protected by an independent civil society sector, including mass media, political parties, NGOs and private educational institutions. Western states actively supported the process of implementing political reforms in the country.

At the same time, along with implementation of political and economic reforms, the donor community required that the government also undertake governance reform due to the genuine risk that the new old bureaucrats would slow down or even totally refrain from creating the pre-conditions for the development of a market economy, democratization of society and social re-orientation. In light of the situation developing in the state echelons, western nations had strong fears of a regression to autocracy. Realising that governance reform in the civil service and the replacement of the "old guard" with a new leadership capable of the new thinking might take a long time, the donor states decided to strengthen their support for the development of an independent third sector to hold the Government and "those in power" to account.

<sup>4</sup> Bakyt Baimatov, Bermet Stakeeva, Simon Heap, "Civil Society in the Kyrgyz Republic", INTRAC (Bishkek, 2002).

<sup>&</sup>lt;sup>3</sup> Radislava Gortat, "Democracy from Tyan Shan Mountains", *Case* (Warsaw: December 1996), available at www.case.com.pl

Since the hegemony of the Communist Party in the former USSR had led to absence of any independent organisations in the country, some of the earliest donor-supported programmes were aimed at creating and building the capacity of NGOs to facilitate their further involvement in the development of public policy. Based on Cornall's classification, outlined below, of the levels of NGO involvement in national policy development, one finds the donors keen to establish the third form in the post-Soviet countries.<sup>5</sup>

No	Type	Type Comments					
1	Closed end	Elite groups make decisions without involvement or					
1	1 Closea ena	consultations with the civil sector.					
2	Duo datamin ad	Civil society is invited to take part in the decision					
2	2 Pre-determined	making process under pre-determined rules					
2	In day on double and ablich ad	Rules of the game are established with participation of					
3	Independently established	citizens or civil society organisation.					

As of yet, unfortunately, the third type of development, described in the table above, has not been fully institutionalised in this country. Obviously, one might not expect this to have happened in the early 1990s despite somewhat naive forecasts by donors that believed the process of political reform in the post-Soviet states could be accomplished within a short period of time. It is well known that a period of transition may linger on for an uncertain period of time until former structures and forms of governance become completely obsolete.

Still, however, the democratic process in the Kyrgyz Republic since 1991, culminated with the establishment of numerous political parties and NGOs. After perestroika, by 1991 only two parties had been officially incorporated: the Party of Communists of Kyrgyzstan and the Democratic Movement of Kyrgyzstan,<sup>6</sup> but already by late 1994, the number of political parties reached 14, as follows:<sup>7</sup>

- 1. Democratic Movement of Kyrgyzstan
- 2. Ata Meken
- 3. Erkin Kyrgyzstan
- 4. Asaba
- 5. Social Democratic Party of Kyrgyzstan
- 6. Party of Communists of Kyrgyzstan
- 7. Democratic Party of Women of Kyrgyzstan
- 8. United Kyrgyzstan
- 9. Industrial Party
- 10. Agrarian Party
- 11. Republican People's Party
- 12. Agrarian Workers' Party
- 13. New Kyrgyzstan
- 14. Party of Veterans of the War in Afghanistan and other local armed conflicts<sup>8</sup>

<sup>&</sup>lt;sup>5</sup> Janice Giffen, Lucy Earle, Charles Buxton, "The Development of Civil Society in Central Asia", INTRAC NGO Management and Policy Series. Issue 17. (UK: 2005)

<sup>&</sup>lt;sup>6</sup> Bakyt Baimatov, Bermet Stakeeva, Simon Heap, "Civil Society in the Kyrgyz Republic", INTRAC (Bishkek, 2002).

<sup>&</sup>lt;sup>7</sup> Radislava Gortat , "Democracy from Tyan Shan Mountains", *Case* (Warsaw: December 1996), available at www.case.com.pl

<sup>8</sup> Muratbek Imanaliev, "Political party development in Kyrgyzstan";

V. Bogaturyev, M. Imanaliev, S. Masaulov, V. Khamisov, K. Bekbolotov, "Political parties in Kyrgyzstan" coauthored by. Public Policy Institute" (Bishkek: 2006).

# The Democratic Movement of Kyrgyzstan

The DMK's establishment was declared at its founding conference on May 26-27, 1990. DMK is a small party of Kyrgyz national democrats that acted in 1990-1992 as a broad democratic association similar to a "people's front". Almost every independent political or civil society organisation in the republic at the time was be found among founders of the DMK. 9

The movement originated from the very first association of parties and movements of people's democratic nature in the republic. Following a number of splits, by May 1993, the DDK was transformed into an independent party. The new party was officially registered on 16 June 1993. The party primarily relies upon students, young unemployed and nationalist intellectuals. The party's programme reads that the DMK supports the democratic development of society and intends to build a state based on the rule of law. Initially the party was dominated by its nationalist wing resulting in a basically mono-ethnic movement, comprised of only ethnic Kyrgyz citizens.

Following independence, the movement reached a phase of atrophy, in spite of getting financial support from the new authorities. A number of party activists were offered important positions in the public sector: Mrs. K. Kenebaeva headed the department of social and political problems in the Presidential Administration, Mr. K. Akmatov chaired the State Information Commission, and Mr. T. Turgunaliev was appointed the President of a university.

The number of political parties kept on growing, but their role in the political life of the country remained insignificant, confined to some tough criticism of the first President of the country, yet unable to propose any effective alternative programmes to exit the critical social and economic situation. At that embryonic stage of development, political parties were weak organisationally. Political parties could not count on the confidence of the people, who put their trust in the presidency, due to the strong and deeply-rooted traditions of respect of power, originating in the former USSR and being historically characteristic of the Kyrgyz people. The lack of a pluralistic tradition in the Kyrgyz Republic, the pre-dominance of cultural traditions, domination of the state over civil society and the politically passive attitude of the majority of the population, all meant that political parties and other civil movements were not to be found amongst the most active players in the decision making process.<sup>10</sup>

However, in contrast to other Central Asian states that chose to elect former Communist Party leaders as their Presidents (three First Secretaries of republican Communist Party Committees: Nazarbaev, Karimov and Niyazov, as well as one former secretary of a regional Communist Party Committee: Rakhmonov), the Kyrgyz Republic was quite advanced in the field of political reforms and was already considered an "island of democracy" in Central Asia in the early 1990s. Evidence could be found in the annual freedom index published by Freedom House, which in 1995 categorized Kyrgyzstan as the leading nation in the region (see the table below):<sup>11</sup>

Degree of civil and politica	l freedoms (o	on a 7-p	oint scoring scale)
Country			Score

<sup>&</sup>lt;sup>9</sup> See <u>www.labyrinth.ru</u> for "Kyrgyzstan"

<sup>&</sup>lt;sup>10</sup> Radislava Gortat, "Democracy from Tyan Shan Mountains", *Case* (Warsaw: December 1996), available at <a href="https://www.case.com.pl">www.case.com.pl</a>

<sup>&</sup>lt;sup>11</sup> Ibid.

Kazakhstan	2.5
Uzbekistan	1.0
Turkmenistan	1.0
Kyrgyzstan	4.5
Tajikistan	1.0

Overall, the relationship between the public sector and NGOs prior to 1995 could be characterised as lacking in trust, as NGOs were not perceived as partners of the Government. Such a situation had developed primarily because of the lack of capacity on the part of NGOs to deliver genuine assistance to the state and the government, and to help deal with acute social and economic problems, drawing on their experience, knowledge and information. As a matter of fact, there was a considerable gap between the actual performance of NGOs and the goals they declared. At that stage, NGOs of the new western type were only in their early development phase, whereas many of the "transition" NGOs had been extremely involved into programmes dealing with humanitarian aid delivery. As a result, the weak nonprofit sector and poor state had not been able to find common points of interest for fruitful cooperation.

Still today, the relations between the public sector and NGOs are chaotic, lacking overall regulation. There are no clear mechanisms for interaction in the fields of development, implementation, monitoring and evaluation of policy programmes. In this environment, an NGO can without warning get involved at any stage of the decision making process, whilst the state, having no comprehensive mechanism for dialogue with NGOs within the framework of the decision making process, is not in a position to adequately respond to the demands raised by NGOs. Mechanisms regulating the involvement of NGOs in the decision making process are much better developed with regards to the legislature than with the executive branch of power.

In the political arena, in spite of the officially declared state policy for society's democratisation, the period between 1991 and 1994 was marked by a standoff between the state, attempting to remake an authoritarian regime and representatives of the newly emerged civil society, striving to build a democratic system of governance.

# 1.2 Characteristic Features of the Legal Regulatory Environment in the Early 1990s 12

Even though the right to create associations had been declared in the earliest Constitutions of the Soviet Union and former Soviet republics, up until the early 1990s, establishment of any nonprofit organisation required special permission.

The peculiarity of the then existing associations was that each one of them had been established and owned by the state, actually controlled by the Communist Party of the Soviet Union and just an appendage of the administrative bureaucratic system<sup>13</sup>.

The normative status of nonprofit organisations had been determined by Decrees of the Central Executive Committee and the Council of People's Commissars regarding the *Procedures for Establishment and Liquidation of National Associations and Unions, Not Designed to Generate Profit*, issued on 6 January 1930 and *Procedures of Activities of Foreign and International Voluntary Associations and Unions in the Soviet Union* of 7 September 1932, as well as the Decree of the Soviet Central Executive Committee and

<sup>&</sup>lt;sup>12</sup> By Natalia Alenkina

<sup>&</sup>lt;sup>13</sup> U.Chinaliev, Peculiarities of the Civil Society Development in the Kyrgyz Republic, (Moscow, 2001).

Council of People's Commissars of the Russian Federation on approval of the *Provisions Regarding Voluntary Associations and Unions*, issued on July 10, 1932, among others.

Some substantial changes in the regulatory framework for nonprofit organisations occurred at the time of perestroika. As a result of the stormy process underway in society, the political and civil role of the population had grown along with the number of people's organisations. Like the Democratic Movement of Kyrgyzstan, and the association of house-builders, these were very often not associated with the Communist Party. Other nonprofit organisations in existence by that time made certain adjustments in their activities. Emerging objective reasons necessitated the legislative regulation of civil relations to deal with the creation and operations of nonprofit organisations<sup>14</sup>.

The new legislation regulating the legal status of nonprofit organisations emerged in 1990 with the adoption of the Law of the USSR *On People's Associations*.

The Law of the Kyrgyz Republic *On People's Associations* was made one year later, on 1 February, 1991, on the basis of Soviet law, and established the right of people to create associations on the basis of common interests. This law regulated the activities not only of people's associations, but also those of political parties, trade unions and cooperatives.

The subsequent development of the civic relationship and the process of its liberalisation led to the need to adjust the legal framework regulating activities of civil society organisations. As of today, the legislation in this field has been completely revamped. The 1996 *Civil Code* of the Kyrgyz Republic, along with the regulation of basic provisions concerning nonprofit organisations, has established the legal framework for various organisational and legal forms. In addition, there are many other specialised pieces of legislation, that regulate the characteristics of various nonprofit organisations.

# 1.3 Peculiarities of the Social and Economical Environment in 1985-1994

Total political and economic power in the country had been usurped by the Communist Party. The political system had relied on an administrative and autocratic style based on strict compliance with the vertical hierarchy of power. Councils of people's deputies as elected representative bodies of the state power were a part of the political structure in the Kyrgyz Republic until 1991.

The economy of the Kyrgyz Republic as part of the Soviet Union was one of the most deficient. The existing system of plan-based administrative governance had come to a state of stagnation. Overall, the economic situation was characterised by low productivity, an absence of incentives for higher efficiency, and the dominance of the system of equalisation. The economic crisis was aggravated by the system of distribution of basic consumption commodities. In the mid 1980s, the new leadership of the Soviet Union, led by Mikhael Gorbachev initiated aprocess of adjustment of the socialist economy, to achieve dynamism and effectiveness.

Some of the initial economic measures of the time (introduction of a state quality control system, the extension of rights enjoyed by workers' collectives, an anti-alcoholism campaign, and so on) produced no visible effect. The continued and sustained industrial decline that began in 1987 aggravated the economic situation. Skyrocketing state debt by the late 1980s resulted in the curtailing of almost all social programmes, including the housing programme,

\_

<sup>&</sup>lt;sup>14</sup> N.Idrissova, U.Pak (eds), *Noncommercial Law*, textbook, (Bishkek: Demi, 2006).

intended to provide accommodation to all Soviet citizens. That same time was characterised by a considerable growth of the bureaucratic machinery at all levels. All of the factors above contributed to the growth of major social tension in society. The labels *perestroika and glasnost*, which dated back to the mid 80s, were given to the transition from an authoritarian regime to a democratic system. It was then that some of the radical changes in the social, economic and political spheres of life were initiated. Early changes also occurred in the way of thinking in society.

As emphasized by S. Kara-Murza, the very first stage of *perestroika* (prior to the actual structural dismantling of the Soviet state) could be referred to as a "revolution of minds", in accordance with the theory of revolution of Antonio Gramsci. That period of Soviet history was called *glasnost*.<sup>15</sup>

Glasnost had come to change the system of images, symbols and ideas of Soviet society applied to back up the hegemony of the Soviet state. The process of glasnost was top down and relied on state owned mass media. Such a policy led to the emergence of negative stereotypes of the state system as a whole. From then on, reform of the power and governance system had followed.

The so called "shadow" economy developed at a fast pace including both various types of individual activities and informal workshops producing consumer goods, and illegal operations at state-owned enterprises and irregularities in the field of financial reporting and accounting.

The overall crisis in agriculture started in 1988, and was followed by an industrial crisis, and huge inflationary pressures.

The Law On Cooperatives, passed in 1988, led to the creation of a huge number of various kinds of cooperatives. So called "commercial" shops popped up everywhere. Their owners would buy goods in state-owned stores and re-sell them at higher prices. Cheap consumer products were never to be found; state-owned stores had nothing to sell. One could not spend money as nothing was available. This all contributed to social tension in society. Another law "On introduction of private entrepreneurship in the USSR" passed in 1989 led to the emergence of private entrepreneurs. Thus some social groups came to possess the means of production. Increasingly acute professional and domestic problems led to various forms of social protest.

The lack of consistency in the transformation process at the time of perestroika did not help to overcome the crisis of the Soviet social and economic system, and only contributed to its aggravation. Perestroika ended with in-depth changes in the political, social and economic systems, national relations, and the ways of life and cultures of all citizens and ethnic groups in the former USSR.

In 1991, the removal from the Constitution of the USSR of the provisions setting out the leadership role of the Communist Party led to the sudden collapse of the Soviet Union, and the creation of sovereign states based on the former Soviet republics. In 1989-1991, the political and economic crises combined with deeply-rooted structural problems in the republics of the Soviet Union, and led to the collapse of the Soviet system. The Kyrgyz Republic was among those newly independent states that declared their independence early (August 31, 1991) and created their own national currency.

\_

<sup>&</sup>lt;sup>15</sup> S. Kara-Murza, *Soviet State at the Stage of Perestroika*, Soviet Civilization, Vol. II. (1985-1991)

Most historians agree that the Kyrgyz Republic had chosen the path of democratic development, by making the following six steps:

- 1. Denouncement of the monopolistic communist ideology and totalitarian regime;
- 2. Choosing peaceful yet very radical reform of the social order and accords;
- 3. Establishment of freedom of opinion and political liberty, and of political pluralism in public life;
- 4. Transition towards market economics:
- 5. Protection of freedom of information;
- 6. Moves towards an open society<sup>16</sup>.

National sovereignty required the creation of a market economy. The first stage of the economic reforms in 1991–1995 was designed to deliver material support to the state's sovereignty and create an efficient economy. The collapse of the USSR coincided with an economic crisis that caused economic and social hardship for the republic.

Ahead of most other newly independent states, Kyrgyzstan introduced private ownership of land. One of the important issues it faced was to do with the separation of public property from private property. The Jogorku Kenesh (Parliament) of the Kyrgyz Republic passed the Law *On Privatisation* in December 1991. Since 1992, most plants and factories, services, buildings and houses, and construction and land sites in the republic have been privatised. In some cases, privatisation has been detrimental to the interests of people or specific workers' collectives.

Some significant mistakes have been made in the use of external borrowing due to failure to use credits to develop industrial enterprises.

The industrial sector of the Kyrgyz Republic continued suffering in the economic crisis brought about by the abrupt decline in industrial production and shortage of almost all kinds of consumer goods. Collapse of the production chain and dissolution of links between regions of the former Soviet Union caused many industries to stop producing many special types of products. The Kyrgyz economy had been completely controlled by the state in Soviet times, and relied on a complex scheme of economic relations. As the era of command-based economy came an end, production of some commodities within the republic grew unfeasible. In addition, failure of the Soviet style of economic management broke down the balance of economic resources, stopped the construction of a lot of housing and other building work, and reduced the volume of cargo traffic.

In spite of the transition towards a multi-tier economy undertaken by the country, industrial decline continued from 1991 until 1995. Many enterprises stopped working due to accumulation of arrears, being unable to pay wages to workers in time and reductions in purchasing capacity of the population. Lay-offs at enterprises and dissolution of former collective farms led to growing levels of unemployment. The social and economic status of the people kept falling. As a result, a great number of economically active people emigrated from the country. Meanwhile, society quickly divided into rich and poor.

Poverty has become a brutal reality for the Kyrgyz Republic. It is one of the major social consequences of the transition period. State actions to address poverty and to study ways to improve the quality of life have been confined to provision of the population with basic food products, consumer goods and basic services.

-

<sup>&</sup>lt;sup>16</sup> T.Koichuev, V. Mokrynin, V. Ploskih, *Kyrgyz People and Antecedents*, (Bishkek, 1999).

Some measures to overcome the crisis have been undertaken, including the development of a programme of government reforms. Methods used to seek to stabilise industrial production and create a conducive economic environment included the following: development of competition, liquidation of trusts, acceleration of privatisation efforts, price liberalisation, reduction of state influence on the economy, structural adjustments designed to improve the balance of trade, and measures to create an appropriate environment for foreign investment.

One may, therefore, identify the following characteristic features of the social and economic environment at that stage in the development of the country:

- Removal of the foundations of unlimited political power.
- Decentralisation and re-distribution of power.
- Structured division of the population into different groups and layers.
- Economic modernisation of the society, to meet the interests of the whole society.
- Creation of private (collective and individual) ownership of the means of production.
- Active independence of economic actors.
- A review of the legislative and regulatory frameworks, steps taken in the economic, organisational and legal environment for the promotion of foreign investment and external borrowing.

#### 1.4 Objective Framework for the Activities of NGOs

The collapse of the Soviet Union and the political decisions taken by the new leadership of the sovereign Kyrgyz Republic in favor of democratisation of society and development of a market oriented economy laid down the foundations for the development of nonprofit sector organisations. The absence of any knowledge, experience and other resources of vital importance for the creation of a democratic society in the country, as well as the risk of the country's regression to the former authoritarian regime motivated western states to deliver active support to the development and promotion of NGOs. In turn, NGOs were seen by donors as institutions required for the creation of a system of checks and balances *vis a vis* the public sector, as well as bearers of the new value system.

In their efforts to disseminate and implement various development models, western states have been successful in importing their own paradigm which considers successful development of a market economy impossible in the absence of democratisation and pluralism in society (this development model is different from development models employed in South East Asia or China).

The society, which had the historic experience of following directives generated by Communist party leaders, but never had a tradition of generating its own ideas, was not prepared for active participation in building independent civil society organisations. Citizens of the country were expressly passive whilst self-organisation of society was very poor.

In contrast to the situation in other countries of the region, the newly elected President of the Kyrgyz Republic, who did not belong to the former Communist Party bureaucracy, but represented the country's intellectuals, actually declared freedom of expression and association to be essential elements of democratisation, and generally welcomed and encouraged initiatives to create civil society organisations. The international community praised the Kyrgyz Republic as an island of democracy in Central Asia and counted on the republic to serve as a role model for neighboring states to follow. Capitalising on its positive image, the Kyrgyz Republic was able to bring in the largest amount of technical and financial

assistance in the region, while donor agencies started actively rolling out their programmes in Kyrgyzstan. Some of the earliest programmes were supported by USAID (from 1992), TICA (1992), GTZ (1993) and UNDP (1993)<sup>17</sup>.

The abrupt decline in the economic situation in the country meant that donors needed to provide humanitarian aid for the population. Operations within a wide network of humanitarian aid induced many then active NGOs to deal with distribution of humanitarian aid. This group of NGOs primarily included organisations originating from former Soviet public associations.

Based upon the donors' financial support, many NGOs were established without any clearly defined missions, or any strong commitment to address the existing acute social problems. This situation resulted in lack of confidence in NGOs among both the Government and the population.

Financial support from donors to promote NGO development was primarily distributed for environmental protection, promotion of women's initiatives and protection of human rights, which accounts for the disproportionate growth of NGOs active in these three fields.

At the time, donors supported NGO development primarily in the largest cities, as the mechanisms of assistance delivery that had worked in other countries were also applied to Kyrgyzstan: first, they provide funding for development of NGOs in urban areas, which later serve as NGO development support centres at the local level. Therefore, we cannot speak of any development of rural NGOs or community based organisations during that specific period of time. As a matter of fact, the creation of civil society organisations in rural areas happened later (from 1996-97) promoted by central NGO offices.

In 1991- 1994, there was no cooperation between the NGO and public sectors, as weaknesses at both ends led to isolation rather than collaboration, whilst lack of a developed business community resulted in the absence of any interaction between the commercial and nonprofit sectors.

Thus, in a summary of factors that influenced NGO development in the Kyrgyz Republic in 1991-1995, one may point out the following most important milestones:

- 1. Kyrgyzstan officially declared its policy of creating a democratic state of rule of law, in which the development of the third sector was regarded as a pre-condition for pluralism and democratisation of society. There was no way for democracy to be built in the absence of independent organisations that represented and promoted the interests of various groups of the population and provided leverage for a system of checks and balances *vis a vis* the public sector. Such an approach, pushed by western states, was broadly supported and promoted by the first President of the Kyrgyz Republic Askar Akaev, who in contrast to other political leaders in neighboring Central Asian states chose a more liberal policy with respect to the creation of the non governmental sector.
- 2. In spite of a mainstream public policy aimed at democratisation of society, the political leadership of the country, at both central and local levels, for the most part consisted of former bureaucrats and Communist Party officials, whose primary goal was to keep power and take possession of property and assets formerly owned and controlled by the Communist Party. As a result of the early privatisation efforts,

\_

<sup>&</sup>lt;sup>17</sup> Donor agencies and external aid delivered to the Kyrgyz Republic, Kyrgyz Republic and donors, see <a href="https://www.president.kg">www.president.kg</a>

most assets had been taken over by the same old Communist Party officials and bureaucrats. The new "old" leadership was not willing or able to drastically reform the existing system of governance, and made every effort possible to retain the old command-based administrative system. Keeping the situation unchanged might have resulted in recovery of the authoritarian system and likely regression to a totalitarian regime. Under the circumstances, creation of independent and strong organisations of the nonprofit sector, operating independently of the public sector and capable of holding the government to account was seen by the donor community as a kind of panacea.

- 3. The liberal political environment developing in the Kyrgyz Republic in the early 1990s laid a fertile soil for the dissemination of civil society ideas among the population. Such an environment was promoted by donors with the enthusiastic support of the President of the country, who in the early years of his presidency was seen as an active supporter of democratic principles, such as freedom of expression and association. The Kyrgyz Republic was acknowledged as an "island" of democracy and freedom in Central Asia, in contrast to other states of the region where government still dominated over independent non-governmental organisations. Along with the reform of political institutions, the Kyrgyz Republic started economic liberalisation, development of financial institutions, and agricultural and land reforms ahead of other states in the region. It was also the first country in the region to introduce its own national currency.
- 4. The wave of political and economic reforms underway in the country positively affected the attitudes of most citizens towards democratic reforms. The advanced part of society, including intellectuals, welcomed the reforms started in the country. Having realised the risks associated with likely recovery of the totalitarian regime, intellectuals took an active part in the creation and development of NGOs. Many of the newly created NGOs that followed western models, as well as political parties such as the Democratic Movement of Kyrgyzstan, were created thanks to initiatives and/or leadership of former university professors, doctors and scholars.
- 5. Despite reforms underway in the country, it was going through an economic crisis, conditioned primarily by the dissolution of economic links between Kyrgyz enterprises and their partners in the former USSR. Due to the difficult economic situation, the social sector, previously subsidised by the former Soviet Union by almost 100%, had fallen into a profound crisis. In response to the social and food crisis, donor states started to actively implement humanitarian programsme in the Kyrgyz Republic. In turn, the presence of humanitarian aid induced the creation of organisations referred to as NGOs but with no social function except for distribution of humanitarian aid. That group of organisations was primarily comprised of former Soviet social organisations, which promptly switched their status to that of NGOs in solicitation of donor support.

To summarise, the above-listed factors pre-determined the way the earliest NGOs in the country were created. Some of the first political parties, people's associations, religious organisations, students' groups, cultural centres, and humanitarian communities, as well as a great deal of independent print media, radio and television programmes emerged in the country in response to the presence of such factors. Many of the organisations thus created later started referring to themselves as structures of the "third sector" or "civil society".

# Chapter 2. Establishment and Development of the NGO Sector in the Kyrgyz Republic (1985-2004)<sup>1</sup>

#### 2.1 History of NGO Sector Studies in the Kyrgyz Republic

The history of development of the NGO sector in the Kyrgyz Republic as a subject for study has been raised repeatedly. Comprehensive research undertaken by INTRAC in 1999-2002, was published in 2005 as a study of civil society development in Central Asia.<sup>2</sup> The goal of this study was defined as conducting in-depth research of civil society development dynamics, and local organisations' capacity building, particularly in the field of information collection and analysis. Unfortunately, instead of publication of individual country reports, INTRAC provided a summary report in English. INTRAC also published a review of "NGOs in the Kyrgyz Republic" in 1998, focusing on the assessment of the sector's development at the time and making some useful recommendations both for existing NGOs and for the donor community and the public sector.

Another interesting publication in English we would like to highlight was published in the United States in 1999. "Civil society in Central Asia", a set of articles, was compiled as the result of a 1998 conference dedicated to Central Asian studies in the context of civil society development and democratic participation.

Some interesting material for purposes of analysis can be found in the USAID annual reports on the NGO sustainability index. Assessments of NGO sustainability have been conducted in over 30 states of Eastern Europe and the CIS. The index is based on research on the legal framework, organisational development, financial sustainability, employed methods of social advocacy, NGO services, infrastructure and image of NGOs. USAID representatives have not found this methodology totally satisfactory<sup>4</sup> and recently switched to an "NGO Thermometer", designed to gauge specific changes within the sector.

UNDP's country office in the Kyrgyz Republic publishes an annual Human Development Report. Every year, the report focuses upon a specific subject, but always includes a chapter or section discussing NGO sector development in the country. Thus, for instance, the 2000 National Human Development Report describes the development of the civil sector in the Kyrgyz Republic, including its main achievements and challenges. The 2001 National Human Development Report, entitled "Democratic Governance: new approaches to development in the Kyrgyz Republic" contained a number of paragraphs describing NGO status and mechanisms of social partnership. In 1999, local and international experts, supported by UNDP's country office in the Kyrgyz Republic, made an assessment of the NGO capacity building process in the Kyrgyz Republic, focusing on the development of recommendations on how to achieve institutional sustainability and NGO sector development initiatives. Findings of the study have been published.<sup>5</sup>

Individually, researchers have addressed specific subjects, dealing with the interaction between the civil society and the state in the Kyrgyz Republic,<sup>6</sup> activities of women's NGOs<sup>7</sup> and other

\_\_\_

<sup>&</sup>lt;sup>1</sup> Co-authored by A. Alymkulova and E. Shishkaraeva

<sup>&</sup>lt;sup>2</sup> Janice Giffen, Lucy Earle, Charles Buxton, "The Development of Civil Society in Central Asia", INTRAC *NGO Management and Policy Series*, Issue 17, (UK, 2005)

<sup>&</sup>lt;sup>3</sup> M.Holt Ruffin, Daniel C.Waugh (eds), Civil Society in Central Asia, (USA, 1999).

<sup>&</sup>lt;sup>4</sup> Janice Giffen, Lucy Earle, Charles Buxton, "The Development of Civil Society in Central Asia", INTRAC *NGO Management and Policy Series*, Issue 17, (UK, 2005) at 127.

<sup>&</sup>lt;sup>5</sup> Evaluation of NGO Capacity in Kyrgyzstan, Project "NCO Capacity Building Promotion in Kyrgyzstan", Gender in Development Bureau, UNDP, (Bishkek, 1999).

<sup>&</sup>lt;sup>6</sup> By S. Matikeeva, A. Cholponkulova, et al

topics. NGO leaders have published an enormous number of articles, dedicated to both daily issues and problems in the sector, and analysis of different stages in civil society development. In this context, we would like to acknowledge specifically a series of three sets of articles, published by Interbilim: "NGOs of the Kyrgyz Republic: Top-Down Democracy" (2002), "Civil Society's Problems and Prospects" (2003), "Civil Society and NGOs in the Kyrgyz Republic: Insights" (2005).

Since 2005, the Association of Civil Society Support Centres has been regularly publishing its journal "Third Sector", positioned as a scholarly and popular media dedicated to the development of civil society in the Kyrgyz Republic. Articles published in different volumes of the journal discuss various issues in the sector's development including: "The Kyrgyz Republic's Civil Society Insitutions and Politics", and "Gender Equality as a Measure of the Overall Cultural Development of a Country".9

This retrospective analysis is not intended to provide an exhaustive enumeration of all works and relevant studies published to date in light of the enormous number of publications devoted to subject-specific or sector-wide issues of civil society development.

Many donor agencies have made specialised assessments of the NGO sector capacities, such as the study conducted by Winrock International in 2003, regarding the activities of civil society organisations in the field of trafficking in people.

#### 2.2 Issue of Periods in the History of NGO Sector Development

The group of authors working on this publication has included the issue of distinctive stages in the process of NGO sector development in the Kyrgyz Republic in a questionnaire for NGO leaders and experts. 10 Kazakhstani researchers proposed a break-down of the history of the development of the nonprofit sector in Kazakhstan, in correlation with the stages of the overall society's development.<sup>11</sup> Thus, it is suggested that NGOs in Kazakhstan have undergone the following stages in their development:

- Soviet stage (broken down into distinct periods of the Soviet state);
- Soviet stage under "perestroika";
- Sovereign stage (early, mid, present stages).

An independent political science expert D. Birimkulov proposed his own break-down of the NGO sector history in the Kyrgyz Republic<sup>12</sup> based upon changes in the social and political situation and NGO capacity to respond to such changes. According to Birimkulov's proposals, the whole history of the sector can be broken down into three stages.

The first stage dates back to 1985-1994, with the emergence of some of the first non-governmental organisations focussing on environmental, historical-educational and national democratic issues, such as Demos, Memorial, The Association of Voters of Kyrgyzstan, Asaba, and Atuulduk Demilge (Civil Initiative). The second stage (1994 –1999) is characterised by stronger civic activities in response to the hardships of the transition period. This stage saw the emergence of

<sup>8</sup> E. Kasybekov, *Third Sector* journal, Vol. 1, September 2005

<sup>&</sup>lt;sup>7</sup> BY G. Tugelbaeva, A. Tabyshalieva, *et al* 

<sup>&</sup>lt;sup>9</sup> M. Karybaeva, *Third Sector* journal, Vol. 2, June 2006

<sup>&</sup>lt;sup>10</sup> Questionnaire used to focus the interview process involving nonprofit organisations' leaders and experts. In the

process of preparation of this publication, the group of co-authors conducted over 35 interviews.

11 Development of the Nonprofit Sector of Kazakhstan. Vol.1 "ОрганиЗАция" Journal №2 (8) 2002, available at http://www.idc.nursat.kz/?uin=1043904714&chapter=1044268477

D. Birimkulov, "Non-governmental Organizations – Principal Element of the Civil Society" (Bishkek: Interbilim) under "Civil Society and NGOs in the Kyrgyz Republic: Insights", at 67

large numbers of organisations addressing social problems, poverty, and protection of rights of women and children, and consumers. Organisations that represented ethnic groups in the country also grew stronger at the same time.

The third stage that started in 1999 was believed by the author to have lasted until 2005. The most distinct feature of this stage is the achievement of a new level of relations between NGOs and the state, where NGOs have reached certain maturity and grown capable of lobbying for the interests of society at state level.

The study taken by INTRAC proposed a three-stage history of the sector's development.<sup>13</sup> The first phase, dating back to 1991-1997, was characterised by emergence of the earliest mass political movements that later grew into political parties and initiative-based groups of citizens. At the same time, some of the first international organisations arrived in the country. Other significant milestones include the following: the first ever conference of volunteers (1995), creation of the Women's NGO Forum (1994), amendments in the legislative framework regulating issues of NGOs' registration lobbied by NGOs (1997). The second stage, which commenced in 1998, was characterised by growing understanding of the importance of advocacy and lobbying campaigns on the part of NGOs. For instance, the publication speaks about a campaign, organised and run by Interbilim jointly with other NGOs, aiming to draw the attention of communities at large to the problems of poisoning of the population and environmental pollution as a result of the cyanide spill at Kumtor. Commencement of the third stage was associated with identification and advancement of the most active NGOs out of a large number of organisations, which have grown and are supported via active external funding, as well as with improvement of cooperation between NGOs and the public sector.

Interviews with representatives of NGOs and experts have also helped to identify different views as to the stages of development of this sector of civil society. Some interviewees attributed the changes in development of NGOs to the changing policies of donor agencies active in the Kyrgyz Republic.

"Yet it's been a kind of a cultural intervention, an injection made by international organisations. Assuming the sector has been developing this way, one may identify respective stages, having to deal with changing strategies and missions on the part of international organisations."

G. Ibraeva (Agency of Social Technologies ACT)<sup>14</sup>

Other respondents proposed other breakdowns of history into periods based on changing sets of values among NGO members and changing understanding of their own missions.

"The third stage of the sector development underway today features NGOs which have achieved sustainability in terms of funding and contents; they are not dependent on just one donor and enjoy a certain autonomous status enabling them to develop their work programmes independently." These are the organisations of the third wave that have realised their own interests, inputs and relevant niches in society, and have developed understanding of their target groups and the level of their operations".

M. Karybaeva, Z. Kochorbaeva (Agency of Social Technologies). 15

<sup>14</sup> Interview, September 2006.

<sup>&</sup>lt;sup>13</sup> Janice Giffen, Lucy Earle, Charles Buxton, "The Development of Civil Society in Central Asia", INTRAC NGO Management and Policy Series Issue 17, (UK: 2005), at 112-113

NGO representatives also attached great importance to the processes underway in society and the state that may have directly impacted the emergence of new stages of development of the third sector.

The second stage must have started in 1997; having realized the political situation was changing from democratic development to an authoritarian regime, we decided we needed to involve people into protection and promotion of their own rights, into monitoring activities of the government and evaluating the activities of the parliament.

A. Sasykbaeva (Interbilim)<sup>16</sup>

Thus, there are different views regarding the stages of development of the NGO sector in the Kyrgyz Republic, while all respondents, along with the authors of this publication, have agreed the sector has grown and passed certain stages of its development process over the last 15 years of independence of the country. In the chapters below, the co-authors present their three-staged vision of the history of the third sector, drawing upon the views of various NGO experts and leaders in the Kyrgyz Republic.

# 2.3 The First Stage of Civil Sector Development (1985 – 1994)<sup>17</sup>

In the mid 80s, the majority of mass organisations were trade unions or associations. No such organisations had any political power or influence over the decision making process. However, they remained very active and popular.

Traditions of voluntary people's movements in the Kyrgyz Republic date back to the years before independence. A huge number of public organisations existed in the Kyrgyz Republic, including, for instance, trade unions, scholarly societies, unions of authors, journalists, composers and artists, friendship societies, consumer cooperatives, sports societies, environmental protection societies and societies of blind and deaf. Such organisations were very popular and fairly effective, providing people with real opportunities to give and receive help.

The legislative framework regulating their existence was provided by the Constitution and other laws. For instance, the activities of trade unions were regulated by a special law. The Constitution of the country also allowed the free development of public organisations.

None of these public organisations were politically active. They served primarily to attend to the purely professional or social interests of the people. In other words, such organisations were never involved in the political process.

Today's pluralistic political environment originates from the activities of numerous public organisations, movements, associations and clubs, such as, for instance, the Demos youth club (1987) and the War and Labour Veterans' Society". The first strike at growing social and political changes was made by sporadic mass organisations of young house-builders. By June 1989, mass groups of local and rural young people had occupied land in the north-east part of Bishkek. That movement had taken the Communist leadership unawares. Later, the young house-builders united themselves into Ashar (Mutual Aid), whose members sought to serve the interests of internal migrants and help each other build houses. Similar organisations emerged in the Osh region and in other areas in the south. Ashar played an important role in the

<sup>&</sup>lt;sup>15</sup> Interview with M. Karybaeva, Z. Kochorbaeva, Agency of Social Technologies, September 2006.

<sup>&</sup>lt;sup>16</sup> Interview, September 2006

<sup>&</sup>lt;sup>17</sup> Co-authored by B. Stakeeva and A. Alymbaeva. In the writing of this chapter, B. Stakeeva has drawn upon the information collected for the INTRAC research project "Civil Society in the Kyrgyz Republic", 2002.

development of the multi-party system in the Kyrgyz Republic. As the process of political recovery deepened in the country, Ashar moved from dealing with the economic problems of internal migrants to focus on their political ones.

The powerful Communist leadership trembled as newly emerging political forces got together to take over power in the country. The trend, which included other similar organisations in different regions of the country, accelerated the creation of political organisations based upon nationalist slogans and ideas of revival.

According to political scientist A. Akunov, the process of development of the Kyrgyz multiparty system has taken a number of stages: The first, which occurred in 1987-1991 was the stage of organisational development and political activity under the then existing Communist regime. This stage ended with the birth of the fist democratic political party in the Kyrgyz Republic. The second, in 1991-1994, signalled the collapse of the Soviet system and the Communist Party of the Soviet Union.<sup>18</sup>

The late 1980s and early 1990s were marked by the emergence of the first political discussion clubs. Demos club was established by the state-owned newspaper *Komsomolets Kirgizii*, *Sovremennik* was established at the electronic plant in Bishkek, *Position* was created by the institute of economics under the auspices of the Gosplan (State Economic Planning Agency). In addition, a number of nationalist and democratic organisations emerged, such as *Asaba* (Flag), *Atuulduk Demilge* (Civil Initiative) and *Ashar* (Mutual Aid).

Other newly emerged political parties and formations, such as the Manas-Ata party of revival and Ata Meken came up with some tough policies. Such vivid changes resulted from weakened centralised control and weakened local communist parties. Along with the policy of political liberalisation and democratic principles, the so called "first wave democrats" had soon transformed themselves from their original forms into institutionally structured political parties.

Under the Soviet system, "fund" would mainly refer to a systematic collection of books, films, historic documents, pictures, assets or likewise. Some very popular funds and public unions carried out public work. One good example was the Peace Fund, which collected humanitarian aid and support from the local population designed to deliver assistance to poor nations. There were also very popular Funds of authored songs, literature funds and theatre funds.

At the time of perestroika, by 1985, this word "fund" had acquired a broader meaning and significance. The western understanding of a foundation was imported and deeply rooted into Soviet practices.

The first private and public funds and foundations emerged soon after independence in 1991.

In the Soviet Union, central and local Communist Party bodies had attached special significance to the role of young people. At that time, in terms of ideology, youth belonged to the left wing, in full compliance with Communist policies, collective values and ways of thinking. Youth groups, seen as the most advanced political force and one of the pillars for the system of power, would normally enjoy the full support of the state. Soviet leaders rightly highly appreciated the potential, forces and capacities of youth groups. The central government made enormous efforts to channel the energy, knowledge and inexhaustible capacities of young people into building and promoting the political, economic, scientific, military and cultural supremacy of the Soviet state.

\_

<sup>&</sup>lt;sup>18</sup> A.Akunov, Sh. Kerimbaev, *Political Kyrgyzstan*, (Bishkek: 2001).

Targeted propaganda and collective demonstrations of young people focussing upon patriotism comprised the core of national youth policies. Central Soviet government invested immeasurably in development and promotion of facilities for education and military preparation of young people. In order to mobilise and direct the youth movement, the Soviet leadership created an organisation called the "All Union Lenin's Communist Union of Youth" (VLKSM).

Under the auspices of VLKSM, Soviet youth groups primarily addressed issues of ideology and politics rather than social and economic matters. Other successful activities of the VLKSM relied on the well developed and effective propaganda machinery which met the need of empowerment of young people in broad society. VLKSM initiated a wide variety of mass youth meetings, summer camps, military exercises and public conferences, trying to provide impetus and bring more young people into the organisations.

As a result of the special policy of the state aimed at comprehensive development and education of young people as the most advanced group of the society, youth had been considered throughout the world as one of the most highly qualified and educated groups of Soviet society.

Special attention was paid to out of class activities. Various vocational interest groups and clubs, discussion clubs, drama and literature clubs gave young people opportunities to be a part of public life. Pioneer organisations were established to provide free services for the elderly and handicapped.

Following the collapse of the Soviet system, things changed abruptly. VLKSM was dissolved leaving young people completely disorganised. In the absence of the former infrastructure of employment and education for young people, the youth policies package and ideological platform were overlooked under the new realities of the market-oriented system.

Intensive activities of youth groups in the Kyrgyz Republic began in the 1990s, when the development of the national youth movement and patriotic organisations received a substantial impulse. Overall, revival of the political and public spheres following the collapse of the centralised system of administration has been conducive to the development of youth initiatives. The Patriotic Youth movement, Youth Parliament, dialogues and interviews with celebrities, debate clubs, interest clubs and initiative clubs, as well as other forms of public activities have been visibly gaining momentum. For the most part, youth clubs try to address vital issues such as environmental risks, social stratification of the population, youth problems, and literacy.

Interestingly, some of the earliest youth movements and clubs of political debate, such as Position, Demos, and Sovremennik, begun in the early 1990s as a result of political liberalisation and pluralism in the Kyrgyz Republic, were quite enthusiastic about the ideas of *Ashar* and mutual support. Subsequently, these youth groups grew into an institutionalised mass political movement, the Democratic Movement of Kyrgyzstan.

Independent ecological organisations emerged in the Kyrgyz Republic for the first time in the late 1980s. Ecologists, a domestic ecological organisation, started the first ever campaign for environmental protection in Frunze in 1988. Campaigning began as a protest against construction of a chemical factory in a residential area. After the collapse of the Soviet system and catastrophic industrial decline the problem was not longer a priority. However, the early experience of environmental campaigning proved its high level of practical effectiveness and impact. For instance, independent environmental protection activists and ecologists developed an unprecedented comprehensive ecological programme for the city of Frunze, which was approved by the city authorities in 1989.

In Soviet times, environmentalists played a fairly visible role in political activities. The Supreme Council (Parliament) of the Kyrgyz Republic set up a standing commission to address issues of environmental protection consisting of a support group and independent environmental activists. The latter attended other government commissions and served as observers monitoring the ecological situation in both rural and urban areas.

The Law *On Environmental Protection* included special clauses and provisions strengthening the right of local communities to get involved in the decision making process and have free access to information directly connected to environmental protection.

The national media regularly covered issues of nature and environmental protection. Some newspapers and magazines had special columns dedicated to environmental issues. National slogans and ideas, such as "Protection of our motherland equals the protection of nature" were quite popular. Furthermore, ecological societies such as Priroda (nature) and Znanie (knowledge) annually published and disseminated significant amounts of brochures on the nature, flora and fauna of the Kyrgyz Republic. The voluntary society of book-lovers joined this activity in the early 1980s.

By November 1997, over 70 ecological NGOs were registered at the first forum of ecological NGOs of the Kyrgyz Republic. The Ecological Movement of the Kyrgyz Republic was officially registered in 1993 as the first NGO of its kind in the Kyrgyz Republic.

Historically, under the Soviet regime, unions of consumers were set up in every region of the country (predecessors of today's associations of consumers and consumer groups). To an extent, such organisations were created in order to provide small towns and villages with essential consumer goods. Consumer unions would protect the rights of their clients: factories and stores, dealing exclusively with state-owned commercial organisations. Soviet commerce condemned and suppressed private commercial initiatives, whilst private ownership was prohibited in every possible manifestation.

Regional unions of consumers had the exclusive right to import from other Soviet republics. Such practices ultimately distorted the whole system of consumer unions, and served as the main reason for their total breakdown. The collapse of business relations with other partners in the Soviet republics following the dissolution of the overall economic links was another reason why Kyrgyz unions of consumers gradually ceased to exist.

A great many public cultural organisations that existed in the former Soviet Union are still in existence today. These include unions of various fields of culture: Unions of Cinematographers, Union of Artists, Union of Authors and Union of Composers. Such unions would truly provide a space for professional development and regular professional interaction among people involved in culture and arts. Unions used to play a considerable role in propaganda of the arts and culture in society. It was supposed to be a great honour for artists to become members of their respective unions. On the other hand, there were various informal circles of arts, which later grew into organisations. The Kyrgyz Republic is a country of ancient cultural traditions. At the legislative level, certain steps have been taken to support cultural traditions, including the adoption of the Law on Culture, Presidential Decree regarding the Madaniyat programme and the Concept of the state Madaniyat programme addressing issues of cultural development in 1997-2000. Transition to market economy facilitated the creation of new types of organisation, such as the traditional handcrafts organisation Kyrgyzstyle, many NGOs dealing with various types of arts, private art galleries, new theatres, such as the Modern Municipal theatre, theatre organisations (Tunguch), and new types of publications.

The ideological vacuum left over since the complete collapse of the Communist monopoly was gradually filled up with wide ranging political forces, such as discussion clubs, trade unions, associations, ecological groups, public movements, cooperatives, and consumer and religious groups.

In the early 1990s, the state repeatedly made statements about the need to create civil society in support of democratisation and a market-oriented economy. In particular, emphasis was placed on the importance of the development of a broad spectrum of associations of the public and open-end constructive mass media, operating in the framework of law.

Dissemination of ideas of NGOs dates back to the late 1960s, by which time western states had started delivery of financial and technical assistance for the development of the post-colonial countries of Africa, Asia and Latin America. Even though the concept of the civil sector and NGOs as its integral constituent part was learned in this country only 30 years later, the Kyrgyz Republic has followed an identical model of NGO development to the above-mentioned countries. The scheme of this model is as follows: primary recipients of financial assistance – a small number of organisations, mostly stationed in cities, subsequently grow into NGO support centres at the grassroots level. Real examples that support and confirm the effectiveness of such a model in Kyrgyzstan are such organisations as Counterpart International Kyrgyzstan or the Interbilim Centre in Bishkek. It has been shown that the activities of NGO support centres in many of the above-listed post-colonial states facilitated the development of democratic decision and policy making processes. Such countries, *inter alia*, include Brazil, Argentina, Chile, Mexico, South Africa, and India.

Collapse of the Soviet Union had impelled post-soviet states, including the Kyrgyz Republic, to start searching for new cultural and social values in lieu of the Homo Sovieticus culture.

Assistance in building a new paradigm and new relations between the state and its citizens comes from countries of Western Europe and the USA, as well as a number of international organisations, which rightly believe that the creation and development of civil society organisations such as political parties, independent media, NGOs, private universities, religious organisations, and professional associations provide an integral component for the creation of a democratic society.

It is important to underline that after 70 years of a totalitarian regime, Kyrgyz society was not prepared to absorb an idea of civil society imported by foreign states. In this context, many researchers, including, for instance, Holt Ruffin and Fred Starr back in the mid 90s, expressed their fears that Central Asian states did not have the fertile soil required for implantation of volunteer organisations, and for growth of civil society in general. Among the arguments used by Fred Starr was the fact that historically the countries of Central Asia had not been prepared for or committed to such principles of civil society as individualism, personal opinion, volunteer organisations, and self-governance, As he wrote, all these countries had been dominated by strong hierarchical top-down government, and a strong family- and clan-based society, which stood in the way of the creation of independent organisations, whilst deep submission to powerful authorities had only grown stronger in the Soviet Union.

However, one should not overlook the fact that Kyrgyz people, having had no statehood prior to the creation of Kara-Kyrgyz autonomous oblast in 1924, the autonomous republic in 1926 and

<sup>&</sup>lt;sup>19</sup> Julie Fisher, NGOs and Political Development of the Third World, (Connecticut, USA: Kumarian Press, 1998).

<sup>&</sup>lt;sup>20</sup> M. Holt Ruffin and Daniel Waugh, *Civil Society in Central Asia*, Centre for Civil Society International, The Central Asia-Caucasus Institute, John Hopkins University, (Seattle: University of Washington Press, 1999). <sup>21</sup> *Ibid*.

subsequently the Kyrgyz Soviet Republic in 1936, had historically practiced certain forms of democratic governance prior to official admission to the Soviet Union. Such traditions primarily had to do with the decision making process: representatives of different tribes would be convened for a council in order to discuss issues regarding distribution and use of land and pastures. It was the absence of statehood and all its formal structures, as well as predominance of feudalism until the 20<sup>th</sup> century that had not allowed the development of sprouts of democratic governance among Kyrgyz people.

Following independence in 1991, obtained in the absence of any political struggle, the political leadership of the country was preoccupied with the process of self-identity and new statehood development. The newly established government chose a policy of creation of a democratic state with a market economy. At the same time, establishment of a strong and independent civil society had been insistently promoted by western states and international organisations. They believed that ultimately NGOs must bring about the new social and cultural values and ideas required for the construction of a democratic state using western recipes. They also believed that the presence of a strong civil society was a precondition for democratisation of political institutions and development of a market economy. This dogma, practiced by the United States in other countries of the world for the last 50 years, is particularly appropriate for the region of Central Asia, with predominantly authoritarian regimes, comprised of representatives of the old bureaucracy, former top and mid-level officials of the Communist Party. The authoritarian nature of the public administration was also enforced by the domination of the executive branch of power over the two other branches of power (legislature and judiciary), which continued throughout the last decade (1991 – 2001).

Western states realised that the process of reforming institutions of state power might linger on indefinitely, whilst working with civil society institutions, primarily NGOs, could help to build solid relations and facilitate movement from totalitarian regime to democracy.

The donors' major goal was to provide prerequisites for the emergence and promotion of NGOs, and overall development of civil society in order to counterbalance the public sector. Looking at the activities of donors, one may clearly visualise their attitude to post-communist societies, reflecting the views of most American sovietologists of the Cold War era. They believed that the destruction of civil society had been one of the principal elements of the Soviet totalitarian regime, characterised by an ability to suppress any independent action in any field. Soviet totalitarian terror had been based precisely on the absence of any opportunities for creation of autonomous political space, preventing the emergence of civil society in order to better subdue unorganised individuals in occupied social space.<sup>23</sup>

Important support for the promotion of civil society development activities by donors agencies in the early 1990s in the Kyrgyz Republic came from the new government, led by the first President of the Kyrgyz Republic, Askar Akaev. In the early years of his presidency he officially supported initiatives aimed at creation of civil society organisations. One should however point out that government agencies at the early stages of NGO development process did not completely realise the role, significance and place that NGOs might take in the social and political life of the country. It took time for public officials at both central and local levels to comprehend the NGOs' missions.

\_

<sup>&</sup>lt;sup>22</sup> Ibid.

<sup>&</sup>lt;sup>23</sup> Leticia Atlani-Duo, "Unexpected" Revolution in the Kyrgyz Republic Has Been Prepared by International Organizations", March 31, 2005., "Liberation", France, available at <a href="http://centrasia.org">http://centrasia.org</a>

In the Kyrgyz Republic, creation of NGOs has not only been attributed to an unexpected inflow of donor assistance and officially declared state policy towards pluralism in the society, but also to the urgent need to immediately address some of the acute social problems, associated with impoverishment of a great mass of people. Mass lay-offs at an overwhelming majority of state-owned plants and factories, abrupt reduction of social subsidies from the state budget, stagnation in the agricultural sector and growing inflation all led to impoverishment of the population. Therefore, some of the earliest registered NGOs worked in the humanitarian sector, focusing on redistribution of food aid among social groups in need, primarily, orphans, disabled people, homeless children and poor families.<sup>24</sup>

In the early 1990s, representatives of NGOs for the most part came from former public organisations, who quickly switched to NGO activity. In the Soviet Union, there were several large non-state organisations, such as the Red Cross and Red Crescent Society, and the Nature Protection Society, the activities of which were strictly controlled by the Communist Party and the government. Along with major national scale organisations, there were also trade unions at factories and plants. Though activities of trade unions may be to an extent compared with the activities of today's NGOs, it is also important to underline that communist committees at such enterprises controlled all trade union activities. Even though most such organisations might not be referred to as NGOs, in the "western" sense, they believed themselves to be such, in the absence of a developed concept or standards of civil society in general, due to the novelty of the idea and lack of understanding of this idea in society. As already mentioned, some former Soviet organisations, such as veterans' associations, children's funds and even Red Cross and Red Crescent societies distributed humanitarian aid in their new NGO capacity.<sup>25</sup>

If you look at NGO development history in western states, you can identify two categories of NGOs. The first group consists of classic voluntary organisations of religious and humanitarian natures.<sup>26</sup> These organisations have always been and remain truly independent, pursuing the ideals of their founders, and frequently operating without significant financial resources. As a whole, such organisations do not modify their objectives and goals to receive grant assistance from donors.

Another group of NGOs came about in 1960-1990, in the United States, arranging their activities to solicit funds from the Government and/or international organisations, in order to implement specific development facilitation programmes. We believe that in the Kyrgyz Republic, donors have intended to create some form of hybrid NGOs, incorporating elements of both groups.

On reviewing the activities of donors supporting NGO development in the mid 1990s one may identify a number of principles the donors relied upon in delivering financial and technical assistance to local NGOs. First, donors preferred to work with local NGOs supporting western values and views, while completely ignoring already existing non-state organisations, such as trade unions.<sup>27</sup> Second, in their programmes, donors generally used sector-wide approaches, focusing primarily on such areas as protection of human rights, promotion of women's initiatives, and environmental protection. Allocation of funds to organisations active in such areas resulted in the emergence of a huge army of new NGOs in these sectors. Most of the NGOs that received donor assistance in the early stages were stationed in cities and were staffed with well-educated specialists, previously unemployed due to the closure of many Soviet institutions.

<sup>&</sup>lt;sup>24</sup> Bakyt Baimatov, Bermet Stakeeva, Simon Heap, *Civil Society in the Kyrgyz Republic*, INTRAC (Bishkek, 2002).

<sup>&</sup>lt;sup>26</sup> Julie Fisher, NGOs and Political Development of the Third World, (Connecticut, USA: Kumarian Press, 1998).

<sup>&</sup>lt;sup>27</sup> Janice Giffen, Lucy Earle, Charles Buxton, "The Development of Civil Society in Central Asia", INTRAC *NGO Management and Policy Series*, Issue 17 (UK, 2005).

mass lay-offs or pay-roll reduction at former enterprises. Third, donors were forced to create NGOs in areas where their projects or programmes could not otherwise have been implemented.

One may also state that organisations of American origin were to a greater extent involved in "political" support of civil society, focusing primarily on such areas as efficient governance, democracy, the free market and the civil service.

According to an INTRAC report on Civil Society in the Kyrgyz Republic, the first stage of NGO development in the Kyrgyz Republic occurred in 1991-1996.<sup>28</sup> In this report, the first stage is described as the period of mass political movements, which saw growth in the number of political parties and other civil initiative groups. As a matter of fact, over 800 non profit organisations were established at that time.<sup>29</sup> By 1994, in the Kyrgyz Republic there were around 14 political parties, over 10 mass movements, and features of NGOs following the western model, such as Diamond Association, Ecolog club, BIOM youth environmental movement, the Forum of Women's Non-Governmental organisations of the Kyrgyz Republic, the Kyrgyz-American Human Rights Bureau, the Peace Research Centre of the Kyrgyz Republic, and the Women's Congress.

The Diamond International association was established in June 1994 by female faculty of several Bishkek universities as an NGO. The Association's mission is to promote the achievement of gender equality through studies of men's and women's economic, political and social status, and development of recommendations and implementation mechanisms, as well as practical activities aimed at incorporation of gender approaches into society and state development processes.

Diamond association is a non-profit organisation, operating regardless of material benefits, based on a belief that only free, educated and socially active persons are capable of creating and developing an atmosphere of stability, civil responsibility and economic confidence in society. Through research and gender analysis of specific situations in the development of society, the Diamond association aspires to identify realistic mechanisms to embody an equality-based concept of society and state development.

The main areas of activities include the following:

Gender research

Women's rights, their health, and appropriate political, civil and family status

Achievement of gender equality in the society and state<sup>30</sup>

One should also acknowledge that some of the first NGOs in the Kyrgyz Republic were created to solicit and make use of funds distributed by donor agencies to support civil society. That is why many such NGOs, having concluded contracts with donors proceeded to work for their donors rather than for society. This group also included organisations that existed in Soviet times, which had promptly created NGOs in order to obtain financial resources. In this context,

-

<sup>28</sup> Ihid

<sup>&</sup>lt;sup>29</sup> Erkinbek Kasybekov, *Government and Nonprofit Sector Relations in the Kyrgyz Republic*; M. Holt Ruffin and Daniel Waugh (eds), *Civil Society in Central Asia*, Centre for Civil Society International, The Central Asia-Caucasus Institute, John Hopkins University (Seattle: University of Washington Press, 1999).

<sup>&</sup>lt;sup>30</sup> Open Women Line, more information is available at www.owl.ru

many question the sustainability of NGOs following a mass outflow of donors in the country in the near future in accordance with the trend observed throughout the region.

Development of NGOs in the Kyrgyz Republic has been supported and promoted not only via technical and financial assistance of donors or the official policy of the government of building a pluralistic society but also, to an extent, by the presence of an appropriate and conducive legislative environment, as well as development of independent media combined with strong support from the population at large.

Speaking of the major problems faced by NGOs at an early stage of development, one may identify the following problematic areas:

- Lack of trust on the part of the government towards NGOs, for the latter sometimes inappropriately used donors' funds;
- Lack of experience in the field of strategic management, planning, and financial resource management;
- Lack of strong commitment from many NGOs to addressing acute problems in society. As a result, many NGOs were rather inclined to operate "from one grant to another", in the absence of their own long-term mission or strategic programme-based activities.
- Lack of accountability on the part of NGO leaders in front of their members and other stakeholders.

One of the problems thus identified (NGOs operating from one grant to another) remains important to this day, and stands in the way of effective development of NGOs. Indeed, many NGOs have been easily adjusting their missions and interests depending on donor requirements and demands. In turn, dependence on donor demands and objectives drives small and newly created NGOs away from their truly original goals, objectives and target groups. As a result, a number of organisations in the non-profit sector have lost their independence and critical autonomous nature, leading to inefficiency and non-viability in the third sector. As of yet, just a few NGOs have been able to cope with most of the above-listed problems, but today's realities raise new and even more complicated challenges, such as improvement of dialogue with the public sector, decreasing competition between NGOs, and achievement and maintenance of financial sustainability.

In a summary of this chapter, we may emphasize that the mass nature of the NGO creation process in the Kyrgyz Republic in mid-1990 has been attributed to the following principal factors:

- *The presence of financial and technical assistance aimed at development of civil society;*
- The absence of objections on the part of the government to growth of the NGO movement in the country;
- Support from the population;
- Liberal legislation in place..

Thus, donors started intensively implementing their NGOs support programmes from 1994-95. But the question remains whether the domestic business community and the government have sufficient capacities to provide financial assistance to NGOs in the light of a gradual outflow of international organisations in the near future.

#### 2.4 Second Stage of the NGO Sector Development (1995 – 2004)

"I came to work in the civil movement in 1994. It all started with a conference run by HIVOS, commencing its activities in the Kyrgyz Republic. It was a conference of the women's NGO movement in Central Asia, where we had a chance to discuss our problems and possible solutions. At this conference I learned about the methodology of the NGO movement. In 1995 I attended the World Women's Conference in Peking. Later we set up the Women's NGO Forum. I was elected the first editor-in chief of the Joogazyn women's diges.t Innovative training courses run by Counterpart Consortium played a great role in my development as an NGO leader. Today, we develop and organize our own training courses and workshops".

K.Moldogazieva, Director, Human Development Centre. 31

The second stage of NGO sector development in the Kyrgyz Republic is an important phase in the sector's development, characterised by both qualitative as well as quantitative improvements. A distinctive feature of this stage of development is the presence of a number of international development organisations (offices of foreign state programmes and private foundations, donor agencies, democratic institutes and so on). They bring the ideology, interests, views, innovations, stereotypes, and methodology of development of the countries and organisations they represent. Thus, they facilitate both the early development of civil society in the Kyrgyz Republic, as well as versatility of its contents compared with the previous stage of development. Such democratic institutions primarily focus upon promotion of a concept of civil society and achievement of effectiveness and efficiency via information, technical, educational, advisory, methodology and financial support channelled to NGOs. "Grant" can be found for the first time as an official term in the Law of the Kyrgyz Republic On Nonprofit Organisations in 1999. Delivery of comprehensive support to the NGO sector by international agencies, promotion of a conducive environment by the state, the presence of educated and qualified human resources and willingness to bring about qualitative improvements into the country's development have all facilitated the quick development of NGOs. Because of this, many NGOs have started working on identification of their strategic priorities, development of missions and visions, and the establishment of target groups and their needs. NGOs are developing their media and fundraising skills, and improving their methods of work with the public sector.

#### 1995 - 1999

However, in spite of considerable progress in the field of NGO sector development, the survey of NGO sector development in 1995-1999, carried out with the support of the UNDP country office, proved that many NGOs in the Kyrgyz Republic have not achieved sustainability. Interestingly, almost 50% of all NGOs selected for the purpose of the survey could not be found at the addresses specified. This could mean two things: either the NGOs have not informed the Ministry of Justice about address changes, or they have simply ceased to exist, unable to sustain their own activities. This stage is characterised by a strong degree of dependence of NGOs on external funding. In order to attract donor assistance, many of them chose to adjust their missions in order to meet donor requirements, or follow donor strategies. This can be accounted for by dependence of institutional sustainability of NGOs on their financial sustainability. Membership contributions are too scarce to sustain and support NGO activities for the following reasons:

- Membership of most NGOs (76.9%) is insignificant;

<sup>&</sup>lt;sup>31</sup> K. Moldogazieva, "Nonprofit Sector as Factor of Stability", "Third Sector" journal, Vol. №1, September 2005, at 63.

<sup>&</sup>lt;sup>32</sup> Evaluation of NGO Capacity in Kyrgyzstan, Project on Promotion of NCO Capacity Development in Kyrgyzstan, Gender in Development Bureau, UNDP, (Bishkek, 1999).

- Many NGOs (63% of all respondents) do not practice collection of membership fees;
- Many NGO members can not afford to pay membership fees.

Thanks to numerous training programmes delivered by Counterpart Consortium, many NGOs have learned how to produce good quality grant applications. At the same time, the actual quality of project implementation by NGOs still remains low today. Few NGOs practice financial planning (i.e. forecast of annual expenses, projection of overheads, etc.) in the absence of requirements to do so from donors or target groups. Shortage of funding also leads to operational weaknesses of organisations possessing only very basic or very primitive equipment, offices, personnel and so on. Many NGOs, in essence, are organisations of individuals, with very poor or no infrastructure support. Most NGOs have no access to basic information regarding legislation or funding sources. There is a rather broadly shared opinion among NGOs that access to information on training programmes and sources of funds is available only to NGOs in the capital or to some of the largest and most influential NGOs in regional centres. That is why many smaller sized NGOs, in spite of their commitment, are compelled to quit, having no time or resources to fight for access to information. NGOs are also concerned by the insufficient exchange of information and maintenance of networking links among themselves.

In order to address some of these problems, some support agencies have created assistance centres for rural NGOs, such as the Counterpart Consortium jointly with UNHCR (in Jalal-Abad, Kara-Balta, Naryn and Kara-Kol); Interbilim (Osh); Ayalzat programme resource centres established by the Gender in Development Bureau jointly with the State Commission for Affairs of Women, Family and Youth in all regional centres (supported by UNDP-run project "Supporting women's organisations' capacity building").

"At an earlier stage of our activities we would disseminate knowledge and information about the role of NGOs, provided training in areas like strategic planning, principles of mobile team working in an NGO, fund-raising and legislation, start-up and registration procedures.

We primarily invited those willing to set up NGOs and our training was attended by representatives of virtually each and every existing organisation. Lots of applications were filed by interested individuals. We used to have an open log in the office, where anyone could register for a training programme. Once we had a group of 25 people we would run a seminar or have someone else run a seminar in places we could not reach".

A. Sasykbaeva, Interbilim<sup>33</sup>

Most training programmes in the mid 90s focussed on NGO capacity building in the fields of institutional and organisational management. Training was provided by Counterpart Consortium, Interbilim, DANIDA, HELVETAS, UNDP, TACIS, the Soros Foundation, Mercy Corps, the Konrad Adenauer Foundation, INTRAC, BIOM, Precepts of Manas – 21<sup>st</sup> century and others. NGO training programmes concentrated on the following:

- Development of networking skills. Such skills have primarily to do with effectiveness of NGOs in the fields of needs assessment, networking and community organisation.
- Additional training in technical and management fields: Including accountancy, financial reporting, specific methods of dealing with special areas of needs (children, the disabled, finance, etc) and organisational management. Teaching such skills leads to development of professional capacities and better efficiency of management.

-

<sup>&</sup>lt;sup>33</sup> Interview, September 2006.

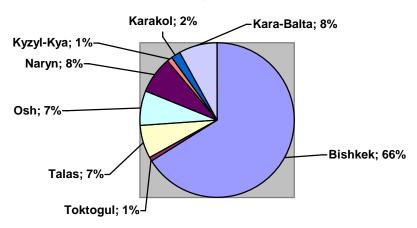
- Organisational or strategic development includes financial management, fund-raising, human resource development, long-term planning, and programming, and institutional relations with partners within and outside the NGO sector.

During the same period, Interbilim, Counterpart Consortium, and the Soros Foundation of Kyrgyzstan made efforts to reach out to rural communities (see diagram below) with NGO capacity building training programmes. It is characteristic of this period that though many NGOs may produce an impressive list of training programmes they have attended, very few of them can actually speak about the real impact of training on their operations. This can partly be explained by the fact that NGOs have not been directly involved in training needs assessment. As a rule, they attended training programmes offered by trainers and supporting or donor agencies.

The 1st Diagram

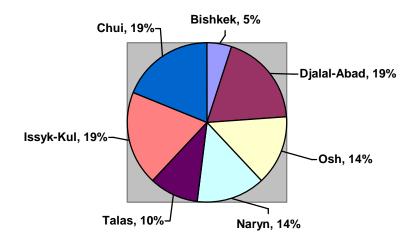
The geographical coverage of trainings of Counterpart

Consortium, 1995-1998



The 2d diagram

The geographical coverage of trainings of Soros FoundationKyrgyzstan, Interbilim, BIOM, 1995-1998



Most characteristic features of NGO sector development (1995-1999):

- The NGO sector developed too fast. In this context, support agencies find it difficult to satisfy all the existing needs and have to distribute resources economically;
- The NGO sector had only limited human and financial resources, precluding effective use of training programmes for capacity building;
- There was an absence of monitoring and evaluation systems for training programmes. Compliance with the time schedule and achievement of planned goals are considered sufficient criteria for evaluation of efficiency and effectiveness of a training organisation. Most training organisations use quantitative indicators for the purposes of evaluation of their own training activities (number of training programmes run, number of newly established NGOs, number of attendees, funds used throughout a year, and so on.) There is no ongoing analysis and feedback to seminar attendants. INTRAC reports (June 1998) an "absence of the very idea of monitoring and evaluation, and lack of basic data for running monitoring or evaluation".

Training programmes organised by support centres and donor agencies in cooperation with NGOs primarily focused on capacity building and management. Out of 362 training seminars run for NGOs by INTRAC, UNDP, Interbilim, Millieukontakt, Counterpart Consortium, BIOM, and UNHCR (via INTRAC) in 1994-1998, just 28 covered subjects like Participatory Methods, and Working with Communities; support centres recognise that even such seminars focused upon methods rather than concepts. NGOs were trained "how" to run a project in a community (sometimes, based upon PRA methodology in microfinance projects, poverty reduction, water-use and other social activities), without paying proper attention to "why". In practice, many NGOs continue to demonstrate insufficient commitment to active involvement of beneficiaries in service planning, delivery and management, and still continue to rely on "top-down" approaches in their activities. Studies show that very few NGOs in the Kyrgyz Republic truly realise their role in participatory development. They do not possess the capacity to clearly realise the very nature and goals of social and other forms of mediation, and to understand why and how NGOs are in the best position to provide such mediation. There is a broadly shared view among NGOs that their non governmental status provides them with independence and freedom to lobby interests and rights of citizens, enables them to influence the decisions of the Government on one hand and public views on the other, to support "sustainable human development" and to "have a better knowledge and understanding" of the local needs, and so on.

In the absence of clear understanding of participatory principles, it is no wonder that many NGOs only had a limited knowledge and understanding of community-based development projects. Though certain NGOs do use terminology such as PRA, strategic planning, community involvement, and so on, overall their language and approaches applied do not show any clear understanding of the concept of the participatory approach. Very few NGOs are capable of explaining the ways all these methods are adjusted or incorporated into their work with communities.

International organisations have been playing a decisive role in the development of civil society in the Kyrgyz Republic. One of the most important aspects of the activities of donor agencies is that most of them operate outside of the framework of agreements with the Government of the Kyrgyz Republic but directly with NGOs or inter-regional organisations. The support they deliver is fairly substantial and essential but very often the government, local communities and mass media are not aware of their activities in contrast to, for instance, activities supported by the UN or other high profile international agencies. However, the contribution made by such organisations to the development of civil society, particularly in rural areas, often happens to be

much more significant and effective, as they provide assistance to directly support NGOs in organisational terms.<sup>34</sup>

One of the main reasons for NGO dependence on the policies of international donors is an absence of mechanisms of co-funding by the state and business communities. At the time of social and economic crisis in the mid 90s, donor support created opportunities for generation of new employment, and amelioration of social hardship. However, the financial dependence on donors in many cases leads to inequality and political pressure on NGOs from supporting agencies.

One of the reasons for lack of efficiency of programmes run by international agencies is the insufficient assessment of the local NGOs' capacity building needs. Many technologies and development concepts for local communities or communities have been imported from developing countries of the so called "third" world, including most African states, Latin America and South and East Asia. Countries of the former Soviet Union, including the Kyrgyz Republic, have a distinctly higher level of education of the population, better social protection, and relatively lower levels of mortality and morbidity than countries of the third world. The history of the former Soviet republics is unique and this situation must be reflected in the NGO sector support strategy.

#### 1999 - 2004

"Since 1998-99 we have reached a stage at which only those NGOs that have an understanding of their appropriate niche, their unique nature, and the specific social services they can render can survive. A number of organisations truly try to find their own way of development and understanding of their identity.... It is only then that institutional development of such organisations has actually begun".

*Ibraeva* ,  $ACT^{35}$ 

"Three to five years ago, most NGOs in Central Asia primarily focused on problems of women, environment, healthcare and so on. As of today, NGOs attempt to identify the essence of a problem and its roots, instead of just surface effects. It is an important step in the process of civil society development. NGOs try to follow the situation in the region: development in such fields as democratisation, globalisation, human rights, behaviour and transparency of the government, corruption, legislation, impact of donor agencies, and so on."

A. Sasykbaeva, Interbilim

Some 50% of over 4000 NGOs registered in the Kyrgyz Republic by 1999 were stationed in Bishkek. NGOs were active in various fields of life of society including human rights, gender development, ethnic harmony, poverty reduction, and environmental protection.

Table 2. NGOs Registered in the Kyrgyz Republic <sup>36</sup>

-	1000	1007	100=	1006	100=	1000	1000	• • • •	2001	
Region	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Bishkek	298	365	475	586	821	1,036	1,280	1,065	1,953	2,341
Chui	55	70	95	238	287	369	422	519	798	992
Issyk-Kul	36	49	56	118	146	199	299	365	454	660
Naryn	20	24	29	63	78	106	125	183	264	357
Talas	27	28	35	86	106	164	230	269	359	429

Emil Sultanbaev, "Decade of Development. What Have We Come To?", Civil Society in the Kyrgyz Republic: Problems and Prospects, (Bishkek: Interbilim, 2003).

<sup>35</sup> Interview, 2006

<sup>&</sup>lt;sup>36</sup> UN in the Kyrgyz Republic, Overall Country Assessment 2003, at 70.

Jala-Abad	60	68	82	168	212	289	562	672	844	1,113
Osh	99	110	139	251	312	461	741	878	1,109	1,407
Batken	16	17	23	40	48	98	158	178	280	331
Kyrgyz Republic	611	731	934	1,550	2,010	2,722	3,817	4,669	6,058	7,630

The strongest NGOs were concentrated in Bishkek, regional capitals and industrial centres. NGOs played an increasingly important role in promotion of legislation and support of civil activities, also providing a link between the public sector and communities. Civil society in the Kyrgyz Republic is increasingly actively involved in regional and international processes, opening up the country for the global community, in accordance with global changes and trends predominant in the world.

In spite of existing state borders, growing numbers of people and organisations have established firm partnerships. The state is no longer the sole player on the diplomatic field on behalf of the Kyrgyz Republic. Local NGOs are continuing to develop their early partnerships with international organisations across the spectrum: from donor domination, promotion of their own interests, corruption among certain programmes and their representatives, to development of equal partnership relations, based upon joint needs assessment in target groups and development of programmes for addressing such needs in an optimal way.

It is important to acknowledge the efforts of support centres which have adjusted their training strategies:

- Interbilim switched its focus away from giving support to NGO capacity building, confirming their commitment to development. NGOs are selected by virtue of how closely their activities correspond to their respective missions, objectives and goals.
- Counterpart Consortium switched to needs-based approaches; NGOs supported by Counterpart Consortium are involved in assessment of their own training needs, and any subsequent training is based on such needs assessment.
- INTRAC emphasises practical training in real life situations instead of classroom-based training.

Through delivery of training services, many support centres have facilitated and promoted the professional growth of NGOs. Many of them have also made efforts to establish partnerships between the state and NGO sectors by organising meetings attended by representatives of NGOs and the public sector, and running various studies.

Organisations, primarily those active in the field of human rights and environmental protection, have strengthened their "watchdog" role. This role is particularly visible in the field of monitoring development programmes or compliance with human rights and freedoms, as well as ecological monitoring of both state-owned and private concerns. Thus, for instance, following an ecological accident in the village of Barskaun at Issyk-Kul in spring 1995, human rights and environmental organisations were able to draw the attention of the world community to the problem and hold the Canadian gold mining company accountable.

The NGO Monitoring and Advisory Group set up in 2000 in the Kyrgyz Republic was intended to monitor operations of the major international financial institutions, such as the IMF, World Bank, ADB, and EBRD. Among other things, NGOs making up this group demand that the major international financial institutions and state agencies should provide information to the

population, and involve the population and NGOs in decision making processes underway in the country.<sup>37</sup>

In spite of the rapid growth and great number of NGOs in the country, just a few organisations can be referred to as truly sustainable and effective. Quite a number of NGOs were registered for the sole purpose of implementation of a single project or application for a single grant. Very often, activities of such NGOs never re-started following completion of a project; this should be recognised as quite natural considering the reasons for founding.

One of the most recent and fairly positive trends at this stage is the process of development of rural civil society, and early efforts to switch the permanent focus from developed capital areas to small towns and villages. Still very recently, some 99% of all strong and independent NGOs could be found in Bishkek or Osh.

The population in rural areas is growing increasingly active with the emergence of a number of independent NGOs or branches of NGOs active in rural areas. Credit should be given to efforts by so called "developing" NGOs (primarily in rural areas), working in partnership with donors and local structures for poverty reduction, agricultural development, healthcare, education and so on. This trend is particularly characteristic of southern regions of the country, where highly effective NGOs can be found in every district. One of the reasons is the presence of a plurality of international organisations, providing financial and organisational support to local NGOs. Many international organisations switched their focus towards development of local initiatives, local communities and micro-credit activities. Another reason is the fast-spreading realisation among local civil society that only community-based development, local activity and mobilisation of local resources can help overcome problems and central NGOs should no be expected to provide solutions or training. Many local NGOs can now act as resource centres, training and advisory facilities.

Community development activities in the Kyrgyz Republic have made a lot more progress than in Kazakhstan or Uzbekistan, partly due to early efforts made by community development centres supported by UNDP. Active and influential Civil Society Support Centres created in various corners of the country and funded by a number of external donors have also promoted the growth of local NGOs and community based organisations.

UNDP-supported programmes have also actively supported the process of decentralisation and facilitated various activities aimed at mobilisation of local communities. In turn, local communities have been able to raise additional funding from other international organisations. Bilateral donors, especially the UK and Switzerland, have implemented extensive programmes at the grassroots level in rural communities, focusing on issues of water, sanitation and rural infrastructure, very often complementing loans provided by development banks. Such activities are particularly important at the level of local communities. In 1999-2004, the NGO sector accumulated a significant level of expertise in the development of civil initiatives based on participatory principles. This mechanism of dialogue between communities, NGOs and the government has worked particularly well in projects for water supply, and rehabilitation of the social and cultural infrastructure.

<sup>38</sup> Lucy Earl, B. Fozilhodjaev, Ch. Tashbaeva, K. Jamankulova, "Community Development in Kazakhstan, Kyrgyz Republic and Uzbekistan: Recent Experience and Lessons Learned", INTRAC, 2004, at 20

<sup>&</sup>lt;sup>37</sup> A. Muratova "New stage in the development of the civil society: we talk about access to resources and protection of economic rights" Published by Interbilim "Civil Society and NGOs in the Kyrgyz Republic: Insights", Bishkek 2005, p. 51

The late 90s can be characterised by the active introduction and dissemination of the Community Driven Development concept. This concept is based on involvement of all groups of the population in decision making processes about the nature, quality and amount of development services people wish to receive. Ultimately, use of this concept lets people take over collective ownership of services rendered. Why has the concept been so actively spread and applied in the Kyrgyz Republic? Community driven development has proven an effective mechanism for poverty reduction, complementary to market-based and government-run activities, capable of producing immediate and durable outputs at the community level. Since community driven development works as a community level, it can potentially occur in a great number of communities at the same time, thus producing a profound impact upon poverty. Finally, well planned community driven development programmes involve poor and socially vulnerable groups of the population in the process, building positive social capital and enabling empowerment of the poor both within their own communities and in terms of dialogue with the public sector.

Table 3

Major Milestones Associated with the Activities of International Agencies, Impacting the Formation and Development of the NGO Sector in the Kyrgyz Republic:

1004	
1994-	Establishment of offices of international organisations, which have impacted the overall
1995	NGO sector development across the Central Asian region, including UNDP, USAID,
	HIVOS, Counterpart Consortium, Soros Foundation, and INTRAC.
1996-	Institutional and organisational development of NGOs. Most NGOs are stationed in
1997	cities. Characteristically, NGOs are highly dependent on external funding. In order to
	solicit donor support many choose to adjust their respective missions in order to meet
	donor requirements or follow donor strategies. This is explained by the dependence of
	many NGOs' institutional sustainability on their financial sustainability.
1997-	Training programmes organised by support centres and donor agencies in cooperation
1998	with NGOs focus on methods rather than concepts. NGOs do not demonstrate sufficient
	commitment to active involvement of end beneficiaries in planning, delivery and
	ownership of services, relying on "top-down" approaches.
1999-	Major pieces of legislation regulating the activities of NGOs passed "On nonprofit
2000	organisations", "On charity". Donor agencies and support centres adjust their training
	strategies to reflect NGO needs and requirements, using practical hands-on learning
	instead of in-class training.
2000	World Bank and Counterpart Consortium start to implement the "NGO involvement in
	development of the Comprehensive Development Framework of the Kyrgyz Republic"
	project, focusing on active involvement of the NGO sector in the process of
	identification of CDF areas through organisation of round tables in regions of the
	Kyrgyz Republic and facilitation of the participation of the most active NGO
	representatives in the CDF national seminars. Some focused organisational and practical
	steps taken following an initiative of the Government of the Kyrgyz Republic, based on
	overall support from the State Investments Committee to actively and fully involve
	NGOs in CDF development. The State Investments Committee invites Counterpart
	Consortium to facilitate NGO participation. In order to achieve the goals of the project,
	Counterpart Consortium organises and conducts a series of round tables attended by
	NGOs in every region of the Kyrgyz Republic prior to each of the three national
	workshops.
	Similar activities carried out in development of the National Poverty Reduction Strategy.

2000- 2001	Switching of focus away from developed cities towards smaller towns and villages. Regional population grows active, a number of NGOs or branches emerge in rural areas. Development of the Community Driven Development concept. Significant expertise in community based initiatives for development using participatory approaches. The mechanism of interaction between communities, NGOs and the government has worked particularly well in projects of water supply and rehabilitation of the social and cultural infrastructure.
2003- 2004	Donor community is concerned with the fact that extensive sets of various donor requirements in the process of preparation, implementation and monitoring of projects and programmes cause unproductive operational costs incurred by partners. In order to address this problem, efforts are made to reduce operational costs and improve the effectiveness of donor assistance through harmonisation of donor procedures at the regional and national levels. Forum of donor agencies is a joint initiative of development partners aimed at improving information exchange and stronger coordination between donors and the Government of the Kyrgyz Republic. See www.donors.kg
2004 - 2005	Flow of grant-based funding for NGO sector development tapers off significantly. NGOs start seriously considering issues of financial sustainability, and other sources of funding in addition to grants. Whereas previously any fund-raising activities were confined to delivery of sporadic paid-for services and consultations, today there are preconditions for emergence of social entrepreneurship or socially oriented business run by NGOs in the Kyrgyz Republic.

#### 2.5 Various Classifications and Characteristics of the NGO Sector in the Kyrgyz Republic

There are various methods of NGO classification, introduced and applied by public structures, donors and NGOs. This chapter discusses basic classifications used in the Kyrgyz Republic, helping understand the types of organisations and nature of their operations. Another chapter discusses NGO classification from the legal point of view.<sup>39</sup>

During a series of interviews taken for the purposes of this study, we asked questions dealing with classification and some generic characteristics of the NGO sector. Most respondents in describing the initial stage of NGO sector development (the early 90s), pointed out two types of public organisations: formerly Soviet organisations after transformation and new independent organisations. The former group includes organisations like the Women's Committee of Kyrgyzstan, the National Red Crescent Society of the Kyrgyz Republic, and the Children's Fund. The second group, including Ukuk, Interbilim, Women's NGOs' Forum, and Aleyne, were among the first organisations independent from the state, which were created by and brought together people with initiative to face common goals and objectives.

Agency of Social Technologies (Mira Karybaeva)<sup>40</sup> proposes a classification of the NGO sector based upon the following two principal kinds of organisation:

First – political and institutional organisations, campaigning for reforms, democratisation, openness, transparency of the public sector and civil service and so on. Such organisations, for the most part, are present at the central level in the city of Bishkek and are highly politicised. These organisations are involved in the process of providing expertise at different levels, from the national to the grassroots, and author various reports in response to international conventions and documents.

<sup>&</sup>lt;sup>39</sup> See also, Manual for NCO Leaders "Efficient Supervision and Management of Noncommercial Organizations", Association of CSSC, (Bishkek, 2006), at 20. <sup>40</sup> Interview, September 2006

Second – organisations that carry out practical activities at the local level, primarily rural and regional NGOs. Such NGOs do not focus upon institutional changes, as their goals are to address social and economic problems of a given community or a specific social group. The AST emphasises, that such a classification allows the identification of a problem in the NGO sector of an absence of links and cooperation between the two types of organisation, which in turn, leads to uneven development of the entire civil society.

Literature and language of civil society widely use the division of NGOs into rural and urban ones; organisations registered with the Ministry of Justice and unregistered (community based organisations, interest groups). Since the late 1990s, the time of the government's attempts to manipulate civil society, NGOs in the Kyrgyz Republic have been divided into those independent and those dependent on government support (so called GONGOs - governmental NGOs). Human rights NGOs have also proposed the term DONGO, referring to NGO created by and dependent on donors.<sup>41</sup>

Independent expert Anara Moldasheva at a recent international conference offered her own vision of the classification of women's movement in the Kyrgyz Republic. 42

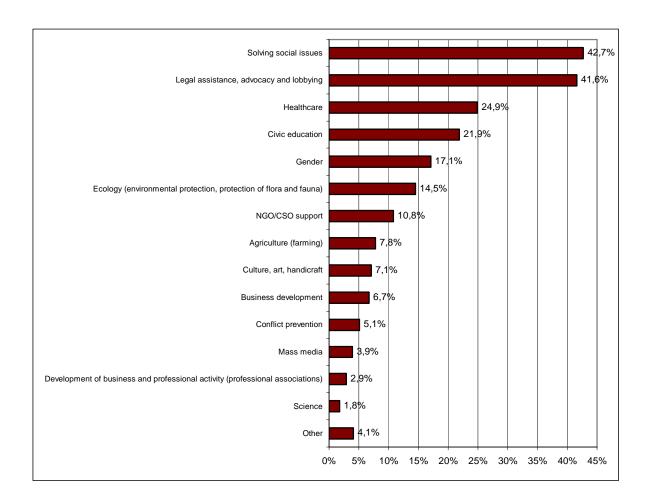
- Gender mainstreaming organisations, addressing problems of gender violence, unemployment, political leadership and empowerment of women, and so on.
- Alternative associations addressing issues outside of the mainstream women's movement (Muslim women, lesbian/bisexual/transsexual groups, disabled)
- Newly emerging women's groups originating from the March 2005 protest movement.

The Association of Civil Society Support Centres carried out a study of the current situation in the sector within the framework of a recent informational analytical campaign "NGOs in the Kyrgyz Republic: yesterday, today and tomorrow". One of the questions in the questionnaire used during the campaign addressed the fields of activity of NGOs and helped to divide the sector in the following way:

-

<sup>&</sup>lt;sup>41</sup> A. Muratova "New Stage in the Development of the Civil Society: We Talk About Access to Resources and Protection of Economic Rights» Published by Interbilim "Civil Society and NGOs in the Kyrgyz Republic: Insights", Bishkek 2005, p. 51

<sup>&</sup>lt;sup>42</sup> International Conference "Modern Women's Movement: Ideology, Practices and Prospects", September 2006, Bishkek



In turn, international organisations have also developed and used their own classifications of the civil sector of the Kyrgyz Republic. The World Bank's classification is as follows:<sup>43</sup>

- 1. Representation referring to NGOs which bring together people's views;
- 2. Support and technical issues informational and advisory support;
- 3. Empowerment and lobbying;
- 4. Capacity building support to other NGOs;
- 5. Service delivery NGOs running projects and delivering services;
- 6. Social functions participatory rehabilitation works.

A 1999 UNDP report based on NGO sector capacity assessment broke down all organisations into the following 5 categories:

- 1) Protection of rights of specific groups;
- 2) Common interest groups;
- 3) Charity organisations;
- 4) Associations protecting rights of ethnic minorities
- 5) Development associations.

Counterpart International uses the following classification of NGOs broken down by sectors:<sup>44</sup>

		#	%
I	Children/youth	302	12.2

<sup>&</sup>lt;sup>43</sup> Community-based Assistance Strategy, WB document.

44 More information is available at http://www.cango.net.kg/db/kg/

II	Women	236	9.6
III	Education/science	212	8.6
IV	Family/pensioners	166	6.7
V	Charity/foundations	152	6.1
VI	Human rights	146	5.9
VII	Businesses	145	5.9
VIII	Healthcare	129	5.2
IX	Agriculture/farmers	128	5.2
X	Handicapped	126	5.1
XI	Environment	120	4.8
XII	Mass media	86	3.5
XIII	Other sectors	508	20.6
	Total:	2456	

# 2.6 Characteristic Features of the Interaction between NGOs, Coalitions and Associations of NGOs Across the Sector

"NGOs broadly practice horizontal relations and interaction among each other. As a rule, this happens when searching for specialised professional or expert inputs. Any organisational efforts aimed at coalition creation or networks are still at the stage of development and identification of procedures and techniques; or remain merely at the formal level."

T. Tretiakova, Director, Humanitarian Projection Institute<sup>45</sup>

The sector of non-governmental organisations that had developed in the late 90s in the Kyrgyz Republic was broadly supported by international agencies. This still "young" sector in addition to external challenges has encountered a number of internal problems, some of which have been discussed in the previous chapter.

The absence of constructive interaction between NGOs at early stages essentially had an effect on the activities of the whole civil sector. Most evaluation studies of the time agree that in spite of a larger number of organisations they can not sufficiently influence society at large or the public sector, very often duplicating each other's efforts. Both NGOs and researchers interested in this field have recognised and tried to address this problem at numerous conferences and meetings.

Representatives of ecological organisations were among the first to unite. The Ecology Movement of Kyrgyzstan was registered officially in 1993. The First Forum of Ecology NGOs, attended by representatives of over 70 organisations was convened in November 1997. Environmental organisations have also been the first to publish a reference book of relevant organisations. In 2001, around 30 ecology NGOs joined the Eco-security and Advocacy Network, focusing upon monitoring and promoting rights of communities to a sound environment. This network has been organising joint campaigns across the country such as: "Press to recycle", and "Protect the ozone layer". In 2004, members of the network signed a new memorandum on cooperation, intended to extend the areas of their respective activities to include renewable sources of power and eco-friendly tourism.<sup>47</sup>

Donor agencies have taken the problem of non-cooperation within the NGO sector into account and started to actively facilitate the creation of various associations and coalitions in order to strengthen the influence of their programmes. One of the best examples in this context, beyond any doubt, is the NGO Forum, transformed into the Coalition of NGOs for Democracy and Civil Society in 1998. The NGO Forum used to be an independent and unregistered union of 78 non-governmental organisations. The Forum focused on, among other things, lobbying for a number of laws (and led the development of the very first NGO law), teaching advocacy skills, and development of partnership with international organisations. In 1998, the National Democratic Institute (USA) proposed a programme of public observation of the referendum regarding amendments to the Constitution (17 October, 1998). The NGO Forum has undergone restructuring of its organisation and was registered under its new name in order to reflect its new

<sup>&</sup>lt;sup>45</sup> T. Tretiakova, "Nonprofit Organizations As a Resource to Rely in Formation of a Civil Society", "Third Sector" journal, Vol. 1., September 2005, at 59.

<sup>&</sup>lt;sup>46</sup> UNDP *National Human Development Report*, 1999 – 2000; Review of Nonprofit Organizations in the Kyrgyz Republic, INTRAC, 1998.

<sup>&</sup>lt;sup>47</sup> Interview, October 2006.

mission. Since then, the Coalition for Democracy and Civil Society has been a leading association running large-scale actions to monitor elections and encourage civil participation.

"The Coalition has been actively supported by NDI as a donor. It's important, however, that our organisation has been able to grow into a truly Kyrgyz organisation with local ownership. It's one of very few organisations, run by a Board of Directors, consisting of 15 persons, elected every two years. We have a General Assembly which elects the President of the organisation. Today we have grown well beyond the framework of an NGO coalition and into a truly mass civil movement"

E. Baisalov, Coalition For Democracy and Civil Society<sup>48</sup>.

Another example of active support on the part of donor agencies in respect of the need of uniting NGOs is the Association of Crisis Centres of the Kyrgyz Republic. In the late 1990s, supported by different donors, women's organisations in various regions of the country established crisis centres intended to provide assistance to victims of violence. All such organisations had been developing independently, drawing on the experience of Russian or European crisis centres. By 2000, crisis centres were in existence in almost every region of the country, and starting to cooperate with each other through interactive training, assistance and consultations supported by the Women's Programme of the Soros Foundation of Kyrgyzstan. The Soros Foundation has been pursuing a long-term and well-targeted policy of institutionalising projects aimed at prevention of violence against women, logically continued by the newly created Association of Crisis Centres. One of the best achievements of the network of crisis centres is the successful promotion of legislation protecting the rights of women at the state level. Currently, the Association is undergoing a difficult period of its institutional development, manifested through uncoordinated views among its members on further development. However, crisis centres comprise a significant and visible segment of women's NGOs and the whole civil society of the country.

Another interesting example can be found in the experience of the Interbilim International Centre<sup>49</sup> which supported the formation of a network of NGOs with the same profile. Thus, in 2002 Interbilim initiated the creation of a network of its target groups. The network's goal is to create a conducive environment for sustainable development of children in the Kyrgyz Republic, improvement of their life conditions, and the delivery of user-friendly services through the protection of their rights and promotion of their interests. Since 2004, the network has connected three nonprofit organisations – Children Protection Centre, Generation Support Centre and Interbilim. For the last 4 years, 2002 to 2006, members of the network have been involved in development of the Children's Code of the Kyrgyz Republic, by submission of recommendations for this law. In June 2006, the Children's Code was passed by the Parliament and signed into law by the President. Working to improve the draft Children Code, the network was able to propose 4 significant amendments, as follows: organisations dealing with protection of rights and promotion of interests of children are no longer required to pass accreditation; the Commission for Children's Affairs has excluded representatives of the Prosecutor's office and Judiciary, replacing them by 4 representatives of civil society organisations; there is improved formulation regarding adoption of children; and exploitation of children for sexual services and dissemination of child pornography is criminalised. After these amendments significantly improved the quality of the draft, it successfully passed into law. From September until November 2005, the network ran an advocacy campaign "I have the right..." in connection with the

<sup>&</sup>lt;sup>48</sup> Interview, August 2006

<sup>&</sup>lt;sup>49</sup> Provided by L. Voronina, Interbilim, October 2006

day of adoption of the Convention on the Rights of the Child by the UN General Assembly on 20 November.

Today the network has started campaigning for inclusion of network members and other childrens NGOs in a working group to develop sub-legal acts. In December 2005, the network and other children's organisations wrote a letter to Prime Minister Feliks Kulov, raising the concerns of NGOs about the consideration of a draft law "On prevention of children's homelessness, abandonment and juvenile crimes" in the parliament. If this law had come into force it would have constituted a serious violation of children's rights instead of being in the best interests of children. Following this petition, the government withdrew the draft law from parliament. This is another success story of networking within the third sector, demonstrating the importance of unions among NGOs and mobilisation of all resources for the sake of making changes and responding promptly to anti-constitutional actions by the state.

Another characteristic and very important trend of intra-sectoral development of NGOs has to do with the creation of short-term alliances and coalitions intended to provide protection against risks or specific challenges and problems encountered by the whole of civil society. Such short-term coalitions have proven to be an effective method of mobilisation of NGOs and drawing attention of society at large as well as the government to serious problems in society.

One successful example of such a coalition is the national advocacy campaigns against the draft Law *On Amendments to Certain Legislative Acts of the Kyrgyz Republic* or Government Decree 358, regarding the prohibition of public activities in the absence of the state registration, imparting the Ministry of Justice with significant powers to interfere in the activities of civil society organisations, and Government Decree 20, concerning licenses for publishing in the Kyrgyz Republic, and aiming to "prevent undermining ideological and propaganda activities by religious extremist organisations" 50. Had Decree 358 been passed by the Government, the following consequences might have materialised:

- unregistered political parties would be considered criminal groups;
- any statement criticising the authorities would be interpreted by the state authorities as undermining or weakening the constitutional order; the Ministry of Justice would acquire significant powers to interfere with the activities of civil society organisations in the Kyrgyz Republic.
- any public activity without state registration would be prohibited, thus affecting the right to free association.

The other decree (20), had it been approved, would have created barriers to the existence of independent publishing houses and would have promoted indirect censorship, in contradiction to the Constitution of the Kyrgyz Republic. On 27 July 2001, a number of non-governmental organisations, on the initiative of Interbilim, petitioned President Akaev to express their strong concerns with the draft law "On amendments to certain laws of the Kyrgyz Republic" initiated and approved by the Government on 18 July. The authors of the petition agreed that the proposed draft law would contradict the Constitution and international human rights conventions ratified by the Kyrgyz Republic. The petition was signed by 83 NGOs across the country. The petition was submitted to the Presidential Administration. That same day, Interbilim, the Association of NGOs and NPOs, the Bishkek Women's Centre, Human Rights Bureau, the Institute for Regional Studies, the Coalition for Democracy and Civil Society, Sezim Crisis Centre, Kyrgyz Human Rights Committee, and Youth Advocacy Group, together set up a working group in order to analyse the draft law "On amendments to certain legislative acts of the Kyrgyz Republic",

<sup>&</sup>lt;sup>50</sup> Provided by L. Voronina, Interbilim, October 2006

passed by Government decree 358 on 18 July, 2001. In July and August, Kyrgyz NGOs ran a number of public meetings across the country campaigning against Decree 358.

On 14 August 2001, the Presidential Press Service issued a statement reading that Akaev had studied the petition signed by leaders of a number of NGOs regarding Governmental Decree 358 (18 July, 2001) concerning the draft law, introducing changes into legislative acts regulating the activities of political parties and NGOs and found it necessary to take the views of all groups in society into account in preparation of legislative acts or amendments to them. For this reason, President Akaev forwarded the petition to the Government of the Kyrgyz Republic for consideration and recommended that public hearings be conducted to consider making amendments to the draft law based upon comments made in accordance with the legislation of the country. In late August 2001, Decree 358 was withdrawn by the Government from the parliament and annulled. The "third" sector triumphed.

Another large-scale advocacy campaign was conducted by NGOs in January-April 2002, aiming at denouncing Decree 20. They organised a series of round tables and press-conferences across the country, and a great deal of protest petitions were sent to members of Parliament, and the offices of the Prime Minister and the President. The campaign was supported by over 885 NGO leaders nationally. In May 2002, this decree was also revoked.

Women's NGOs and other NGOs protecting the reproductive rights of women have also demonstrated just this year their preparedness to prompt mobilisation, solidarity and networking. In June 2006, Ombudsmen Tursunbay Bakir uluu came up with an initiative to make women and medical workers who carried out abortions for social reasons between weeks 12 and 22 criminally liable. The country's NGOs responded immediately by organising a round table "Advocating women's rights to have an abortion after the 12<sup>th</sup> week of pregnancy for social reasons", attended by representatives of the Ministry of Health, international agencies, NGOs, human rights advocates, and medical workers. In every region of the country, women's groups collected signatures for the protest petition. At parliamentary hearings on June 14, representatives of the women's movement raised clearly defined arguments against the initiative and found supporters among the state representatives. As a result of parliamentary hearings the initiative was rejected.

On the other hand are many examples of established networks which have had a successful start and have even achieved formal institutionalisation as official associations and unions which soon lost their efficiency and effectiveness. Reasons may vary, but the most common in this country are the following:

- an association of NGOs is artificial and superficial from the very beginning, with most members of an association (particularly those coming from regions) not even aware of their membership;
- a network of NGOs is sponsored by a donor agency, and it is unable to sustain the viability of a network after funding is depleted;
- there is an in-built strong hierarchy in the network and lack of equality of all partners;
- members of a network have not contributed any material or human resources into network development, considering the needs of their own organisations as a much higher priority;
- there is a lack of knowledge of principles of networking or allying and lack of thought.

Thus, the Kyrgyz NGO sector has demonstrated diverse examples of success and failures in the field of networking. The majority of respondents believe that at the current stage of NGO sector development, short term coalitions intended to mobilise the efforts of all NGOs to address crisis

situations in society or protect the whole of civil society from risks have the potential to be the most successful and effective.

Special case: "NGO coalition – Extractive Industry Transparency Initiative (EITI) in the Kyrgyz Republic"

The Extractive Industry Transparency Initiative (EITI) was proposed by British Prime Minister Blair at the Sustainable Development summit in South Africa in 2002. Proceeds from operations of oil, gas and mining companies coming through taxes, license fees, bonuses and other payments provide an important means of economic growth and social development for developing and transition states. However, absence of appropriate reporting systems and an insufficient degree of transparency aggravate inefficient governance and promote growth of corruption, conflicts and poverty. The Kyrgyz Republic has supported the initiative and joined it in May 2004. EITI implementation in the Kyrgyz Republic has been supported by the Executive Committee and Consultative Council, attended by representatives of all stakeholders, including the state, industries and society. In order to promote the active participation of civil society in this initiative, in November 2004 a group of NGOs created a consortium of civil society for promotion of the EITI. Currently the Consortium consists of 25 NGOs representing all regions of the Kyrgyz Republic, reflecting different fields of NGO activities: sustainable development, environmental protection, advocacy, economics, mining, and so on. Therefore, the Consortium is believed to represent interested local communities and stakeholders from mining and other relevant industries. The activities of the Consortium are coordinated by a working group of 5 people. Currently, the working group includes representatives of the following organisations: Human Development Centre, Human Rights Bureau, Economic Policy Institute, Civil Society against Corruption, Association of the Mining Industry and Geologists of the Kyrgyz Republic. In the course of discussion of possible mechanisms for involvement of civil society in EITI implementation, the following mechanisms for participation of the Consortium in implementation of the EITI principles were proposed:

- independent audit;
- working through the Ombudsman's office;
- submission of proposals to the Committee and Consultative Council;
- organisation of public and parliamentary hearings and consultations;
- lobbying via international organisations;
- education and awareness raising for local self-government and local councils;
- creation of local initiative groups using local experts;
- organisation of national and regional advocacy campaigns;
- dissemination of information through the mass media;
- investigation and publication of unofficial financial flows through monitoring;
- preparation and publication of independent reports;
- preparation and publication of training and methodology materials, and organisation of training;
- improvement of the legislative framework, normative acts, and enforcement monitoring;
- promotion of the EITI informational framework's extension by the Government.

#### Activities of the Consortium:

- In late April 2005, the Consortium organised a round table "Investments and natural resources management in the Kyrgyz Republic: who benefits?", discussing issues of interaction between the Consortium and state and international bodies, the legislative and

normative framework, access to information regarding transparency of profits of mining industries and ways of improving management and transparency of activities of mining companies. Discussions at the round table were attended by over 20 representatives of ministries, the Office of the Prime Minister, the Ombudsman, international organisations and local NGOs. In addition, issues of promotion of investment in the mining sector of the Kyrgyz Republic have been discussed jointly with the Monitoring Advisory Group (MAG). The MAG and the Consortium made a joint statement "Heaven for foreign investors must not translate into hell for Kyrgyz citizens").

- A training workshop "EITI in Central Asia: initial experience and potential for progress" organised in June 2005 was attended, along with representatives of the public sector and NGOs of the Kyrgyz Republic, by representatives of Kazakhstan's coalition "Oil profits under the control of society". Participants were presented with different materials concerning the principles and criteria of the EITI, the structure of the EITI implementation bodies in the Kyrgyz Republic, and relations between the EITI and IFIs. As a follow up to the discussion of materials presented and the current progress of the EITI implementation in the Kyrgyz Republic, participants endorsed a petition addressing the governments of the Kyrgyz Republic and Kazakhstan, mining companies and IFIs.
- The official website of the Consortium developed and launched in February 2005. (www.eiti.to.kg) It provides basic documents of the Initiative, information about the Consortium's activities, statements and press releases.<sup>51</sup>

# 2.7 Success Stories of Some NGOs of Kyrgyzstan in the Context of the Third Sector Development

This section will highlight briefly some success stories of NGO development in Kyrgyzstan. According to the authors these stories are illustrative of NGO sector development. Yet they do not represent all the variety of public organisations of the country.<sup>52</sup>

# "From District NGO to Impact At National Level" "Resource Centre for Elderly People" Public Association: History of Establishment and Development

Umut-Balykchy started its work during difficult times: when they had to face the despair and dismay of people, who, as a rule, are the most vulnerable layer of the population during the transition period. These are children, elderly people and the disabled. During that period civil society was only at its embryonic stage of development, thus it was very weak. However, NGOs started identifying their target groups: many organisations working on the problems of children and disabled had been established; and women's and environmental NGOs had started developing. Yet there were no organisations that would tackle the problems of elderly people, one of the most vulnerable groups of the population. Therefore in 1988 the mission of Umut-Balykchy was clearly defined: "We will help aged people!" The first step was made. For 7 years the organisation worked without any financial support from outside: it experienced a lack of funds and resources for its projects. Resources had been gradually accumulated: first desks, chairs and books were brought by employees from their houses. The organisation had to face its first problems. The activities of the organisation and its leader made the governmental officials alert: why are they called a *nongovernmental organisation*? What does this organisation do?

What were our first steps? We identified elderly people whom we would support. Those were hungry and lonely elderly people, those left by their children and forgotten by the state. We developed our working methods. The most suitable method, in our opinion, was to unify them

<sup>51</sup> See <u>www.eiti.to.kg</u>

<sup>&</sup>lt;sup>52</sup> The information was provided by NCO, edited by E. Shishkarava.

into self-help groups, where they were provided with hot meals, and trained in different aspects of vital and profit-making activities. Thus, they had sources of funds in addition to their scanty pensions. At the first stage there were 19 groups. They were located in Balykchy and throughout Issyk-Kul region. This was how the concept of a complex approach to the development of elderly people was developed. The concept took into account all aspects of vital activities of elderly people. It was this principle of a complex approach to solving problems that became pivotal to ensuring success and efficiency of programmes and projects implemented by the organisation.

Since 2001 we had been in a new stage of development, namely, development of inter-sector dialogue for solving social and legal issues at the regional level. This rather complicated term implies numerous projects implemented jointly with state and public structures that became a starting point for expansion of the organisation's scope of activities and entry to the national level. Our organisation takes part in the activities of working groups formed under the Government of the Kyrgyz Republic and works on national social programmes and strategies.

2003 became an important stage in the development of the organisation. That year the organisation was re-registered and renamed. It changed its name from Umut-Balykchy to the Resource Centre for Elderly People providing complex support for elderly people throughout the Republic. The Centre develops and applies new methods and techniques aimed at creating a fair national policy on elderly people. In 2004 the Centre opened its representative office in Bishkek. This allowed it to expand and strengthen its links with national state bodies, business and public organisations. An illustrative example is the creation and coordination of the AgeNet (No to Age) – Central Asia Without Borders network initiated by the organisation. The network covers 28 state, public and international organisations. The efficiency of network activity is confirmed by the application of methods of support of aged people new for Kyrgyzstan, such as the International Day of Support of Elderly People, From Heart to Heart actions, opening of a network of social shops, promotion of international principles and standards related to older generation at the state level, as well as promotion of the Madrid International Plan of Action on the Issues of Ageing.

The intensive development of the organisation influenced its development strategy. Our mission and goals are in full compliance with the future direction defined by our organisation: decent life of elderly people should be recognised as a priority of state policy. Further development of partnerships and joint efforts with all stakeholders will help the Resource Centre for Elderly People achieve this goal more efficiently.

Svetlana Bashtovenko, Galina Kovalenko, Resource Centre for Aged People, Public Association

# "If we can't help ourselves, who will?" Independent Republican Association of Disabled Women of the Kyrgyz Republic

I started working in the third sector in 1989, when the Government was creating another public organisation of disabled people. Then I was invited to help establish the organisation. I worked in the capacity of a board member and provided other help. Gradually I started realising that the organisation was only dealing with distribution of humanitarian aid, yet it enjoyed huge preferences. Then I worked in a cooperative. However, in the end of 1995 it was closed down. I turned to the organisation for disabled people looking for a job. While working there I heard what other people say about the disabled: "they are crazy and nobody can trust them." I was

<sup>&</sup>lt;sup>53</sup> Interview with A.Musaeva for "The Third Sector" journal, Issue 2, June, 2006, at 69.

really offended. I had worked as a chief accountant for 22 years, I had been working as the head of a cooperative for 5 years, and now I was being called crazy. Why was this organisation created if it does not treat disabled people well or even badly?! My husband and I were thinking: "We had higher education; we worked for the state for so many years and now society does not need us? Then who will protect other disabled?" At that moment we decided to open a society for disabled people suffering from locomotive apparatus injuries/trauma, but the Ministry of Justice refused to register the organisation justifying its decision by the fact that such a society already existed. On 11 July 1996 a women's organisation was established and registered in the Ministry of Justice with the support of then Vice Prime Minister, Mira Jangaracheva.

In 1996 I started understanding what NGO means. Having examined the first 417 disabled people we approved their membership in our association. We studied their problems and established production of wheel-chairs. We found sponsors in the United States, who provided us with financial support for 5 years. When the funding was over we did not stop. In 2000 we managed to get funding from the state. Today the Government has allocated 8 million som for wheelchair production, and this is our accomplishment.

In 1997 I was invited to attend a World Disabled Women's Forum that took place in Washington D.C., United States. The United States impressed me: people using wheelchairs did not have any difficulties; they faced no barriers. The buses were equipped with ramps, hand-rails and lifts. Disabled do not feel miserable and live like normal healthy people. Upon coming back home I started lobbying the Government to adopt Construction Norms and Rules (SniPs) for Disabled People. We did not have them at that time. It was quite difficult to lobby for adoption of these norms: they almost put me in a mental hospital. The National Security Service told me that I am not doing what I should. For all my efforts and work foreign donors nominated me for a Nobel Prize. I am still working on SnIPs as they have never been implemented in practice. We need to adopt a resolution appointing disabled leaders as members of the Commission under the Unit of the Main Architectural Department. We also need to introduce fines for violation of SnIPs. Apart from this we participate in the national programme on protection of disabled, the national programme on rehabilitation of the disabled, as well as in all programmes and laws relating to the disabled. Our organisation trained 148 disabled women in traditional sewing. We have introduced amendments to the Law On Social Protection of the Disabled three times. Amendments included preferences for disabled, 4% quotas of workplaces for the disabled, changes in the Labour Code on employment of the disabled, and changes in the Land Law. We created workplaces and made the authorities recalculate the pensions for 18 disabled people. With the support of the Soros Foundation – Kyrgyzstan we published three books on SnIPs. With the support of USAID and Counterpart International we published a series of brochures, notably "Toward Independent Life", "Disabled: Groups of Mutual Support", "Disabled: Terminology and Etiquette". We do not enjoy any tax preferences. And we will be struggling for our rights. The biggest problem is lack of understanding of our problems by state bodies: government, ministries, mayors' offices and akimiats. They only listen to us, but do not do anything to solve the problems. Laws do not work, and we have to protect our rights by ourselves. We are listened to, but no real actions are undertaken.

For Information: The Independent Republican Association of Disabled Women of the Kyrgyz Republic is a public organisation. The goal of the organisation is to increase living standards and represent the interests of disabled women; to ensure material and moral support for these women; to protect the rights of disabled people suffering from locomotive apparatus injuries, and to create independent life for disabled people of Kyrgyzstan.

The Independent Association of Disabled Women of the Kyrgyz Republic has branches in Naryn, Chui and Issyk-Kul regions. There are over 600 members of the Association. These are disabled

people suffering from locomotive apparatus injuries. The Association of NGOs of Disabled People of the Kyrgyz Republic has been established. The organisation also supported creation of 8 public organisations of disabled people.

During 10 years of operation the Association of Disabled Women of the Kyrgyz Republic has implemented many social and legal projects. It provided help in the form of medicine to carry out operations for 60 disabled. Medical preparations were distributed among 200 disabled people to the total sum of 550,000 som. The organisations provided monetary assistance to the sum of 160,000 som. 185 disabled people were provided with wheelchairs. 500 with go-carts and 670 crutches were distributed as well as many other things.

Asipa Musaeva

President, Republican Independent Association of Disabled Women of the Kyrgyz Republic

# Experience of Sustainable Development of an NGO. Success Story of CSSC-Nookat PA

In 1995 the Chernobyl Association was created on the initiative of liquidators of consequences of the accident (LCAs) at Chernobyl Atomic Power Station (APS) in Nookat district. The goal of the Association was to provide moral and material help to 53 LCAs from Chernobyl APS. During the first years of operation the Association provided legal consultations for members on the issue of receiving state preferences (legislation granting preferences was adopted in 1993, but nobody used them). The organisation also provided material support to families of its members. The strategy of our organisation was to achieve self-sustainability. In 1996 we organised a marathon. The amount collected during the marathon was 40,000 som, which was subsequently used to buy a copying machine. We also opened a café selling ice cream and a butcher's counter. We leased land for cultivating agricultural crops. Later profits gained from these activities were used for implementing the tasks of the organisation.

Alongside providing assistance to our members, the organisation was developing its capacity. In 1998 it was re-registered as the Chernobyl public association. That year we started providing support to the children of LCAs at Chernobyl APS. The organisation actively cooperated with state bodies (district state administration, social services, village councils, and so on), international organisations (Counterpart Consortium, INTRAC, Interbilim, UNDP, and others), and local business structures. Through this cooperation we managed to achieve self-sustainability (in terms of finances). We started acting as one of the "pioneer" NGOs in the region and gradually raised our image. Not only LCAs, but also other socially vulnerable groups of the population, such as pensioners, poor families, women and young people, turned to the organisation for help. In 1999 the organisation expanded its mission and was re-registered as Chernobyl Participants of Nookat of 21<sup>st</sup> Century public association. We started providing assistance to our clients from Nookat district who had turned to us for help. During the same year we were allocated land for building an office in the centre of the district. In 2002 a 3-storey building was built with all facilities.

With the help of international donors we contributed to solving many social problems in the community (building water supply lines, repairing roads, publishing a bulletin for children, building electrical transmission lines, and so on). Since 2001 we have been working under the USAID Community Coverage Programme through Counterpart Consortium and created a CSSC programme. In 2001 we assisted in the creation of 5 communities and implemented 5 projects related to infrastructure issues. In 2002 the number of communities reached 14 that subsequently implemented 17 projects on income-generating activities and social issues. During the same year we managed to establish a network of communities in Nookat and Aravan districts. Zhamattar

Kuchu PA was also established in 2002. In 2003 the General Meeting of members of Chernobyl Participants of Nookat of 21<sup>st</sup> Century made the decision to separate the CSSC programme into a discrete organisation and re-register in the Ministry of Justice. Thus, we became CSSC-Nookat PA. In 2004 jointly with Zhamaattar Kuchu PA we founded the Zhamattar Kireshesi PF Micro-Credit Agency that provided microcredit to members of local communities. At present 4 local NGOs, i.e. our organisation, Chernobyl Participants of Nookat of 21<sup>st</sup> Century PA, Zhamaatar Kuchu PA, and Zhamaattar Kireshesi MCA PF constitute a network of local NGOs that supplement and closely cooperate with each other.

Today CSSC-Nookat PA has its office with all facilities, office equipment, 18 staff members, trainers and sources of self-financing (land, a mini-farm for goat-breeding, paid services, fees, donations, and so on). I would like to tell you about one example which was a success for our organisation. In 2005 we worked on the "Prevention of Illegal Labor Migration" Project funded by Winrock International. Through this Project we managed to establish contacts with partners in Russia and Kazakhstan. These are countries to which many labor migrants from Nookat leave; in most cases they do it illegally. These illegal migrants often could not find jobs and couldn't earn money. Their rights were violated both by local people and by law enforcement bodies. Agreements on partnership were signed with partners from Omsk and Novosibirsk (Russia), and Uralsk and Almaty (Kazakhstan), according to which our organisation undertook to form Working Groups and sent them legally to these cities. The partners' obligations were to find jobs, ensure the security of migrants and guarantee payment for their work. On this basis, in 2005 15 people were sent to Uralsk, and 6 people to Omsk. In 2006 27 people were sent to Almaty, 5 to Uralsk, 8 to Omsk and 12 to Tokmok. All expenses related to migrant travel to the countries above were covered by the organisation. As a result these people got the opportunity to work legally and earned over 1.9 million som.

Abduvali Khudaibergenov, Director, CSSC PA

#### Case: "Women's support centre – 10 years in Kyrgyzstan".

The WSC was established in 1996. Initiators of the centre's creation were university professors, particularly representatives of the Kyrgyz Women's Teachers University, Medical Institutes as well as some activists from the women's movement. That was the time of the initial economic and social reforms in the Kyrgyz Republic, which led to closure of large factories and plants, dissolution of collective farms, and growth in mass unemployment and impoverishment. First of all, this affected women: women were among those laid-off or denied new employment; and in addition they had to feed families in the absence of employment for men.

The primary goal of the organisation is to support women, saving them from poverty. We have provided microcredit, charity, agribusiness training, and other help. However, those measures have not been helpful for different reasons beyond our control. In parallel to poverty and unemployment, women have been excluded from policymaking: they have not been involved in development programmes, laws and most important state decision making. In this context, and alongside the process of the organisation's development, we started rethinking and clarifying our goals and objectives, reflecting on the future of our organisation, the role we could play in the best way in order to benefit women and the country most. Given we have teaching experience, knowledge of teaching methodology and access to information, we decided to get actively involved in gender education of the population.

It's been 10 years since establishment of our organisation. Throughout this decade we have had difficulties, failures, success and victories. We have been influenced by the situation in the

country and the development of the women's movement in the world. It has been a process of development. Today, we are one of the most serious training organisations in the Kyrgyz Republic. We are not afraid to say that our activities promote capacity building in civil society and help address gender problems.

Another of the most important goals for us is development of gender methodology and an information framework. In addition, we cooperate with the public sector at the national and local levels, i.e. assist state and government structures in the development and implementation of gender policies.

One of the principal areas of operations for the WSC is monitoring the CEDAW convention implementation process, and regular promotion of the Convention's ideas, particularly:

- Education and explanation of CEDAW provisions regarding specific women's rights and relevant duties of the state.
- Preparation and submission of alternative reports to the CEDAW committee, regarding the situation of women and the progress of the Convention's implementation in the Kyrgyz Republic.

In the light of the WSC's mission, dealing with empowerment of women, it focuses on the following issues:

- Prevention of trafficking in people and other forms of violence;
- Promotion of economic, reproductive and other women's rights.
- Protection of women's political rights and promotion of their representation through the electoral process.

Therefore, the main focus of the organisation's activities is on legal education, gender awareness raising, and understanding specific women's rights.

Looking back at a decade of the organisation's activities we recognise progress has been made in terms of human resource development, scope and quality of our work. Most importantly, we have laid down some serious foundations to get on with. The organisation's collective is to play an important role.

## R. Aitmatova, President "Women's Support Centre"

#### Case: "Foundation For Tolerance International"

Newly independent states with transition economies, including the Kyrgyz Republic, are particularly characterised by growth of tension and emergence of crisis-prone situations. Under such circumstances, it is important to obtain a set of techniques that enable adequate and timely actions to reduce risks or prevent conflicts, i.e. provide what is normally called preventative development. The primary focus is the management of inter-ethnic relations is on the use of instruments regulating such relations, allowing early detection of conflict areas and development of ways to address them in the interests of optimal development of ethnic groups and inter-ethnic cooperation. Foundation For Tolerance International specifically deals with development and implementation of such instruments, as well as situation analysis and other preventive mechanisms.

The foundation is a nongovernmental nonprofit organisation established in April 1998. It draws upon a project initiated by UNHCR in March 1996 in the framework of the UN violent conflict prevention strategy. On completion of the projects, teachers, NGOs and local authorities wrote numerous petitions to continue the project's activities. In light of such demands, the project's team created the foundation.

#### Our mission:

- Promotion of a culture of non-violence and tolerance in Central Asia
- Prevention of conflict and non-violent conflict resolution in Central Asia.

The head office is located in the Bishkek, but principal forces are deployed in 4 field offices, located in the south of the country: Batken, Leilek and Aksy districts and the city of Osh. Why have these locations been chosen? On 28 August 1999 religious extremists attacked Kyrgyzstan and in just 8 days, as of 5 September, the foundation set up its field office in Batken.

In a situation of armed conflict, 8 Foundation workers actively started needs assessment of over 5000 displaced persons. Using Dutch financial support (US\$14,500) the foundation delivered clothes, soap, and medications. Foundation staff also provided objective information about the situation in the region in order to prevent panic and stop the spreading of rumours. We also continued monitoring the process of distribution of humanitarian aid among the population, and invited clergy to educate the population concerning true Islamic values and Wahhabism.

Today, foundation offices are in place in local communities of the Fergana valley particularly vulnerable to frontier and inter-ethnic problems.

Our NGO is one of the largest in Central Asia currently employing almost 50 specialists trained by well-known experts in conflict studies in Central Asia, as well as the US and Europe. In its daily operations, the foundation is committed to principles of internationalism, and protection of regional interests, rather than the interests of any single country, strictly oriented at peace building, achievement of people's well being, protection of rights of minorities, and bringing about social and economic justice.

The organisation relies actively upon various forms and methods of "popular democracy". In the process of addressing land disputes, border demarcation and transborder water uses in the Fergana Valley, we've found out the local authorities are not always capable of coping with transborder conflicts. We have decided to use mechanisms traditional for this ancient valley: the opinions of the elderly and respected people have always been undisputed by the local population. Thus, we facilitated a group of local mediators between communities who negotiated the rules of use of water, pastures and land between Kyrgyz and Tajik communities. Later we found out that some problems concerning the most disputed land territories required the involvement of mediators at a different and higher level. We therefore came up with a "Goodwill Envoys' Network". The essence of the project is that various forms and methods of popular democracy are used for prevention of conflict. In particular, we have used the reputation, experience and knowledge of respected wise men, within the framework of a network of respectable reputable and educated people, particularly former political, national and business leaders, diplomats, scientists and artists from three Central Asian countries. They also take useful steps to reduce inter-ethnic tension in the region and if necessary act as mediators in conflict resolution.

Considering the grave experience of events in Batken, where problems associated with absence of up to date and objective information led to the emergence of panic and rumours, in 2000 the Foundation developed an independent youth radio station in Batken. Salam Radio was on the air by January 2001. It is equipped with state of the art computers of German and Italian make and the latest multimedia software second to no other radio station in the Kyrgyz Republic. Another popular creation of the Foundation is the information and analytical journal Salam Asia, that has been covering life in the Fergana valley for several years, analysing frontier conflicts, promoting best practice and so on. The journal focused upon problems of refugees, as outcomes, victims

and products of conflicts. For the last 5 years, the journal has been published in Kyrgyz and Russian languages, and sometimes in Uzbek and Tajik languages, if funding was available. It is a bi-monthly free publication.

In order to develop civil initiatives and mobilise local communities the Foundation proposed to set up NGO support centres in the remote districts at the southern border of the Kyrgyz Republic. The initiative has been supported by Counterpart Consortium, resulting in creation of the Civil Society Support Centre in Batken region.

This is a description of just a small part of the enormous range of activities run by the foundation.

J. Birimkulov, partner

### NGO as an Association of Businesses. Case of the Bishkek Business Club

The Bishkek Business Club first started as an informal organisation in August 2002. In December 2002 the Club was already registered as a public association. Prior to creation of the Club, a number of other business associations had already been in place, some including foreign investors along with local businessmen, some focusing on local entrepreneurs. The Bishkek Business Club is different, as it admits only citizens of the Kyrgyz Republic, with recommendations from other club members and its executive director. Any candidate must possess certain characteristics. For instance, a candidate is supposed to be an effective business owner or efficient manager of a reputable company. It is also important to be a socially active and creative person with initiative.

As regards the reasons for creation of the Bishkek Business Club, we believe that each business association has a specific field of activities. In this sense, the Bishkek Business Club is an organisation intended to make the country better. According to the mission of the Club, the Kyrgyz Republic must grow into a regional business and financial centre for Central Asia.

This requires changing the mentality of people, exposure to positive experiences, and understanding they can change their lives through their own efforts and striving. We can, for instance, rely upon legislation as an instrument for changing our reality. In order to modify legislation regulating the business sector and economy, the Bishkek Business Club involves the business community and public figures. In addition the Club tries to represent the interests of small and medium size businesses at different levels and establish cooperation with all organisations active in this field. Thus the club contributes to the democratic development of the Kyrgyz Republic and coherent development of the national economy.

The Bishkek Business Club was designed specifically to fulfil such changes, while our products, forums and projects aimed at improvement of the business environment in the Kyrgyz Republic should provide evidence that we are not deviating from our goals, and are filled with dynamism, creativity and positive energy. That is why the Bishkek Business Club was set up by its members to realise their business interests in line with public interests rather than focusing on some limited field. In addition, in contrast to other clubs, the Bishkek Business Club is less concerned with formalities in its internal activities and relies on useful informal contacts and exchanges.

As of today there are 21 members of the club. This limited membership has been determined by club's founders. No newly set up commercial firm or company can become a club member due to absence of public recognition but we always focus upon the business or social activity of a company's leader. It is important that such a person should be willing and prepared to change the

business environment and approaches to state regulation of the economy. In addition, such a person should not be involved into illegal privatisation or corruption.

The Bishkek Business Club regularly conducts business forums open for participation for the public at large. In the last 2 years, the Club has organised three forums: Kyrgyz Exports Strategies, Shadow Kr or Sunny Kg? and Education – enlightenment or business, erudition or skills? Obviously, one of the fora was concerned with discussion of the development vision and strategy, whereas the other two focused upon specific acute economic problems of the country. Next we propose a discussion of the middle class status, particularly of importance in light of the March events of 2005. We believe that it was the absence of the middle class that resulted in the terrifying and unpleasant happenings in Kyrgyzstan: a revolution involving rural people, looting in Bishkek, illegal land occupation, and so on. It is hard to say who belongs to the middle class in a transition economy. Discussion at the forum will focus upon finding answers.

The meaning of the "Blue tit strategy" is to find our chances in the globalised world. The strategy identifies certain ways that could bring all the country's leaders into a single consolidated process aspiring towards the same goal. The strategy builds on an assumption in the world today that society can be easily governed and controlled through information and knowledge. There are new development paradigms reigning and certain countries use the momentum. The priority in the strategy is attached to creation of a conducive environment for certain types of business based upon non-industrial technologies. This requires addressing preconditions in the fields of taxation, investment, management, and administrative infrastructure and the overall business environment. In addition, the Kyrgyz Republic should possess a distinct level of education, a multi-lingual and friendly environment, an absence of crime, stability in society and a sustainable international image as a prosperous and peaceful country.

For the last three years the Bishkek Business Club has implemented a number of very important projects:

- "Better advocacy by business associations and improvement of the business environment in the Kyrgyz Republic" including development of proposals for tax legislation and amendments to the New Tax Code of the Kyrgyz Republic.
- "Cooperation between civil society and Bretton Woods institutions" focusing on discussion of the MOU between the IMF, the Government and the National Bank, raising public awareness regarding the memorandum and confidence building in relations between the state sector and the population. The project has established a tradition of involvement of civil sector representatives in discussions of memoranda.
- "Business platform for constitutional reform (involvement of businesses in constitutional reform)" focusing on the idea of the Constitutional Convention. As you may know, discussion of the new Constitution is underway.

Uluk Kadyrbaev, Executive director Bishkek Business Club

# "Addressing rural problems through consolidation of efforts and creation of sustainable organisations. Andigen Suu Association of Water Users, Batken District

We live in a territory surrounded by bordering towns and villages of Tajikistan. In order to reach our district, just 30 km away from the town of Batken, one has to cross the border of Tajikistan's Chorku enclave. Due to its geographic location and dry climate, this district where people are mostly involved into agriculture always suffers from shortage of natural resources, such as water, land and pastures. The same grave situation applies to supplies of clean drinking water.

Following the collapse of the Soviet Union and its social economic systems, water-supply facilities have been abandoned and left unattended along with many other sectors and industries: worn out pipes, leakage of water, no maintenance or rehabilitation for many years. People would not pay water user fees under the pretext that water had not been supplied. For this reason, the local population was forced for months to use water from open street sources intended for agricultural uses. This led to outbreaks of infectious diseases, inter-ethnic clashes with the Tajik population and growing frustration with the performance of the Water Committee. In order to fix the situation and change it for the better, to satisfy the needs of the population, and provide uninterruptible and regular supplies of clean drinking water, the Water Committee adopted new approaches to fund-raising. First, it was re-registered as an NGO – the Andigen Suu water user association. Such a decision was made in order to benefit from opportunities available for NGOs, such as applications for grant-based assistance for construction and rehabilitation of water supply infrastructure, mobilisation of the population and development of partnership with local government.

Since the moment of creation we have maintained cooperation and used the services of the Civil Society Support Centre, "Kyrgyzstan-Tajikistan" project, and FTI. We continually attended training seminars, including "Joint needs assessment", "Micro business basics", "Financial sustainability", 'Project development", "Conflict resolution", and "Negotiation and mediation". We have also received information and advisory support in the process of development and implementation of projects.

The project's activities started with implementation of a technical project for construction of a water-supply line in Uch Dobo and Kerme Too villages, supported by the Swiss Agency for Development and Cooperation and "Water as a pre-condition for friendship and peaceful co-existence", supported by USAID's Counterpart Consortium aiming to reduce inter-ethnic tension in the border areas of the Kyrgyz Republic and Tajikistan that were rising due to shortage of water resources.

In the process of project implementation we have been able to mobilise the local population to provide construction works, conducted fund raising activities among the population and developed ways to sustainably develop the project. Every year our staff learned more about project activities. We have also made progress in organisational and technical support, learning how to use computers and other equipment for the first time in our villages.

In 2004, we obtained a grant for organisational development from the Soros Foundation. Using grant proceeds, we have been able to teach our staff how to develop projects, establish partnerships, and assess the needs of the population. We also purchased a computer, printer, copier, and furniture for the office. In terms of membership, it has grown from 389 members in 2001 to 9125 people using our services in the Ak-Tatyr, Samarkandek and Ak-Say self-governed territories. Our pay roll now includes 7 people.

We shared our experience with other water committees in Batken district at a workshop we organised for them. At the workshop we shared experiences, from office maintenance and effective collection of membership fees, to negotiations with partners in other republics.

The local population does not just see or hear about our work but is actively involved in delivery of assistance. Joint activities help us better understand each other, share success and hardships, thus building mutual respect and confidence. As a result, the local population proposed to include our organisation in the Kyrgyz Tajik commission to address the problems of the Vorukh-Shurab transborder water line, on which we have been involved into joint inventory taking and

acted as the third party in negotiations between the administrations of Isfara district of Tajikistan and Batken district of the Kyrgyz Republic regarding equal use of drinking water.

Also, as chairman of the association, I was elected a member of the Batken district council. At sessions of the council, deputies have always raised the most essential problems of people living in the borderline areas of Batken.

We are very proud of what we do for the people. Today we have new organisational techniques, allowing us to deliver effective and high quality services for the benefit of ordinary people.

Kadyr Khudayarov, Chairman Association of Water-Users, Andigen Suu, Batken district

# CHAPTER 3. Specifics of Relations Among the Three Sectors. International Organisations' Activities on NGO Sector Development<sup>1</sup>

### 3.1 Peculiarities of Relations between the Public and Nongovernmental Sectors in 1990-2000

The relationship between the public and civil sectors is one of the most important issues that define sustainable development of society in the modern world. Political circles, practitioners and scholars agree that successful interaction between the two sectors is a driving force for social development, building democracy and economic success.<sup>2</sup>

Evaluation of the NGO sector in 1998<sup>3</sup> identified a characteristic picture of inter-relations of state structures and NGOs in the mid 1990s: the central Government did not perceive the civil sector as a partner, whereas state structures at district and village level understood the benefits of such cooperation. Local state structures provided minimal support to NGOs in the form of allocation of premises and access to phone communication in exchange for attraction of grants to the area. During this period the majority of events (holidays for children, round tables, workshops and so on) and repair of local infrastructure (banyas, schools, water pipes and so on) were funded through grants. In other words, this was a period of very pragmatic partnership. Many donor agencies were willing to allocate funds for NGO projects, which were in fact aimed at poverty reduction and improvement of living standards in rural areas. Donors also bank on the fact that such projects will raise the status and authority of nongovernmental organisations. Later use of NGOs in programmes on poverty reduction would become the major policy for some donors.

Inter-relations between the third sector and central government could not be formed for quite a long period of time. In 1999 E.Kasybekov noted in an article devoted to the issue of relations between the state and noncommercial sector<sup>4</sup> that despite rapid development of civil society bodies, their impact could be described as limited. The major reason for such failure is, in his opinion, lack of cooperation between state structures and NGOs. He further indicated factors influencing non-recognition of NGOs as full-fledged partners by the state, notably, problems with legislation, lack of clear and transparent financial policies in NGOs, weak organisational development, and lack of perception and necessity in interaction with regard to representatives of both NGOs and state bodies.

Analysing public-private dialogue in Kyrgyzstan A. Cholponkulova<sup>5</sup> concluded that one of the reasons for the relatively low efficiency of existing forms of cooperation between the sectors is insufficient capacity in the NGO community. The intellectual capacity of the NGO sector is significant; however, "operational capabilities", organisational capacity, knowledge and skills to lobby public interests in the state bodies do not suffice.

Communications and meaningful contacts between the third sector and state power bodies in Kyrgyzstan do take place and are gaining speed. Yet the forms of such dialogue have not been formalised; they are unstable and not fixed in the legislation as mandatory elements for making socially important decisions. This can be considered as another important reason for chaotic

<sup>&</sup>lt;sup>1</sup> Co-authored by A.Alymkulova and E.Shishkaraeva.

<sup>&</sup>lt;sup>2</sup> Simon Heap, "Civil Society: Relations with the State", INTRAC, 2002, series of translations, # 04, Materials of Regional Conference "Development of the Civil Society in Central Asia: International and Local Perspectives, June 13-14, 2002, Almaty.

<sup>&</sup>lt;sup>3</sup> Theresa Mellon, "NCO in Kyrgyzstan. Review", INTRAC, June 1998.

<sup>&</sup>lt;sup>4</sup> E,KAsybelov, Government and Nonprofit sector Relations in the Kyrgyzstan Republic/ Civil Society in Central Asia/ edited

<sup>&</sup>lt;sup>5</sup> Ainura Cholponkulova, Director of Initiative Centre, Public-Private Dialogue in Kyrgyzstan: Search for Efficient Forms of Interaction, Bishkek, Kyrgyzstan

dialogue and its low efficiency. Gradually the state bodies started developing understanding of the fact that use of the capacity of civil society and NGOs representing the most active part of society is required for efficient reforms. To our mind it is the third sector that is able to voice the interests of various groups in society, playing the role of mediators between the Government and the public. On the one hand, cooperation between the authorities and civil society involves wide layers of the general public in discussion and decision-making, and promotes transparency of actions of state bodies, whereas on the other hand, it creates the possibility for the state bodies to receive information about the needs of people first hand. Government officials do not fully understand the potential advantages of a more open process of public administration. In this regard, their knowledge should be improved and expanded.

A.Cholponkulova, Initiative Centre

Analysing the existing system of contraposition of the state and NGO sector in Kyrgyzstan<sup>6</sup> A.Tretyakov identified the following problems in relations between the state and the civil sector: lack of trust from both sides, potential partners not understanding "the language of the activity and claims against each other", the impossibility of managing social and business activity through administrative methods, inclinations to act on behalf of the people by both parties, and a predominantly pretentious nature of relations. These problems in their turn create a situation where "development of the NGO sector occurs mainly through funding of donors and most importantly in a paradigm of confrontation with state bodies and defence from the state rather than cooperation with it. This leads to complaints among NGOs about absolute control and accusatory rhetoric. The parties build neither images of the future nor a collective future. Individual and group values prevail over the system of public goals and values. The strategy of survival is a pressing issue for the majority of members of society and it makes application of partnership schemes difficult".

The *National Report on Human Development* for 1999 (UNDP) also raised the issue of the joint role of the state and civil society in ensuring human development. The report underlined that the state and civil society can ensure sustainability of human development only if they are equally strong and balanced. Civil society should be independent and able to protect the interests of citizens. It should also accumulate free and creative activity of citizens, whereas the state should make steps toward them.

By 2000 statehood with high concentration of power was formed in the country. This power could have been compensated by developed civil society institutions, such as parties, NGOs, mass media and influential public opinion. However in Kyrgyzstan these structures were only at the stage of development. Political weight of even the largest membership parties was small. Mass media experienced constant pressure from state agencies. It was at this time that nongovernmental organisations became a decisive factor in civil society development. NGOs have understood that they can oversee governmental programmes and development programmes, as well as exert pressure on the authorities in the interests of citizens.

Thus, despite the fact that by the end of the 1990s all three sectors of society, namely public, commercial and noncommercial had been formed, the state still dominated the two other sectors.

The attitude of the state to the "third" sector has been passive and observatory for a long time. Even the term "nongovernmental organisation" which is commonly accepted and widely used in Kyrgyzstan was not defined and recognised by Kyrgyzstan's legislation. The Law regulating establishment of nongovernmental organisations in the country is the Law *On Public* 

<sup>&</sup>lt;sup>6</sup> A.Tretyakov, "Civil Society and the Power: Culture of Relations" "Third Sector" journal, Bishkek, Issue # 1, September, 2005, at 38.

Associations. Adopted in 1991 the Law only refers to the fact that public associations are voluntary formations developed by the free will of citizens of the Kyrgyz Republic united on the basis of common interests, goals and principles of activity. Other laws regulating the activity of Kyrgyzstan's NGOs until the mid 1990s were quite contradictory and unclear. For instance, the 1996 Civil Code classified public associations as "noncommercial organisations", however their definition did not differ from the one stipulated in the 1991 Law. The Civil Code just pointed to the fact that "a noncommercial organisation is a voluntary formation developed by the free will of citizens of the Kyrgyz Republic united on the basis of common interests, goals and principles of activity". The Tax Code (1996) in turn clarified that the term "noncommercial" means "nonprofit" and does not stipulate any tax benefits for noncommercial organisations. The only exception was exemption from land tax for organisations for disabled people, war veterans and other charitable organisations.

In general, it can be noted that national legislation has always lagged behind social reality and events did not create obstacles to the formation of an economically sustainable and independent nongovernment sector. Kyrgyz legislation does not contain any provisions that seriously impede the establishment and institutionalisation of dialogue between the sectors. Yet it does not provide any binding provisions regarding involvement of the nongovernmental sector in the making of socially important decisions by state bodies.

#### 3.2 Peculiarities of Relations between Public and Nongovernmental Sector in 2000-2004

At the earliest stages of NGO sector development, the relationships between the emerging sector and the state were of interest just for a few people, but as the influence of the NGO sector on public life grew, the complicated process of its relations with the Government started developing. The issue of relations with the Government became an item for discussion by NGOs, and positive changes began to occur. Both at the regional and local levels, real dialogue between civil society bodies and public administration agencies started developing to tackle social problems.<sup>7</sup>

Consultations with citizens though participation of NGOs in this process is one of the forms of non-economic partnership and cooperation between government bodies and organised citizens, the point of which is not to provide social services but to exchange information, taking into account the interests of the latter. Consultations between the government and its citizens about issues that are important to the state are really a new phenomenon for Kyrgyzstan in contrast to countries with developed democratic traditions. In Soviet times, the decision-making process was concentrated within party and government structures and only representatives of the Communist Party or ministry officials could participate in consultations. Of course, citizens could express their opinions or their will through participation in referenda, but the results would be predetermined in the interests of the Communist Party. The interests of the population, in fact, were not taken into account. This led to the collapse of the Soviet Union because of many problems in both the economic and the social sectors.

Use of consultations can be exemplified by the development of national programmes such as "Comprehensive Development Framework of the Kyrgyz Republic until 2010, "National Poverty Reduction Strategy", "National Strategy of Decentralisation of Public Administration and Development of Local Governance in the Kyrgyz Republic until 2010". In accordance with international standards, national programmes should go through consultation with citizens in order to strengthen their status; therefore, since recently it has been standard practice to discuss

7

<sup>&</sup>lt;sup>7</sup> B. Stakeeva, "Confrontation and Cooperation", IC «Interbilim», collection of articles "Civil Society in Kyrgyzstan: Problems or Perspectives", at 30

drafts of national development programmes through various for in the mass media and on Internet sites bringing together representatives of the state, businesses and NGOs.

Consultations with citizens in the form of NGOs are becoming a frequent phenomenon in the decisionmaking process in Kyrgyzstan, because the government needs them. However, this necessity is not always the result of the aspiration of state officials to find optimal ways to solve problems that would satisfy all interested parties. Quite often discussions of draft laws and political decisions with citizens are just an observance of the formal process or compliance with the requirements of international donors. Many important decisions, especially those that are related to the state regulation of taxation, and public and emvonmental safety are taken with minimum participation of civil society.

Previous mechanisms for government control over society in the form of party infrastructure and discipline have disappeared, but they have still not been replaced by well-functioning mechanisms of cooperation and partnership between the government and civil society. This explains the government's efforts to create a comfortable regime of so called guided democracy, where benevolent or, in other words, dependent "pocket" NGOs serve to imitate consultation with civil society. This period is characterised by the weak potential of NGOs at the organisational and institutional level, as well as by a lack of clear mechanisms for civil control of implementation of decisions made by the government. The participation of citizens in public administration is so far fragmentary and disjointed.

In order to ensure more effective consideration of public opinion, representatives of NGOs have been made members of public National Councils under the President, created to support reforms in the health sector, development of science and education, and issues of invalids, and they are also included as members of interdepartmental government councils for implementation of national development programmes. In order to promote women, the National Council on Family, Women and Gender Issues was established in 2000; and a national gender strategy was developed. Forms of cooperation like participation of NGO representatives in the work of collegia of various ministries have appeared.

Consultative Council at the State Customs Inspection (SCI) under the Government of the Kyrgyz Republic<sup>8</sup>

One goal of this Council is to foster cooperation and dialogue between the SCI and people who trade abroad as well as others connected to foreign economic activities, and their professional unions/associations. Issues tackled include the creation of favourable conditions for external trade promotion, as well as the solving of problems brought to the attention of the Council. The membership of the Council includes representatives of the SCI, public organisations and entrepreneurs. The Council is guided in its activity by the Constitution of the Kyrgyz Republic, legislation, decrees and orders of the President, governmental regulations and orders, normative and legal acts pertaining to customs, as well as the Regulations on the Consultative Council of the State Customs Inspection under the Government of the Kyrgyz Republic.

Of course, such initiatives need to be supported, but the creation in itself of such councils is a sign of the fact that real dialogue and cooperation between sectors is an objective but not yet a reality: NGOs protect and promote chiefly their own interests as associations of organisations through such institutions, rather than the wider interests of society.

Another high level initiative to improve cooperation between sectors has also acquired a formal nature.

<sup>&</sup>lt;sup>8</sup> By materials of the Internet portal of the State Customs Inspection under the Government of the KR, www.customs.kg

On April 19, 2001 a meeting of representatives of almost one hundred NGOs with the Presidential Administration was held on the initiative of the Fund of Legal Problems and supported by the Association of NGOs. The meeting was devoted to issues of interaction of NGOs with government bodies.

At the meeting participants discussed the interaction of NGOs with the government tax agency, the need to explain the social role, objectives and special features of NGO activities, and the need to introduce legislation on the role of NGOs in educational programmes, environment and medicine among other things. Participants concluded that a Standing Council on NGO issues under the President should be established. On the proposal of meeting participants, candidates were nominated for Council membership. Membership of the Council included 21 leaders of various NGOs.

#### **NGO** and Election Processes

Another distinctive feature of this period was active participation of NGOs in election processes. For the first time, public organisations took an active part in observing the referendum of 1998. The Forum of NGOs, supported by seven non-governmental organisations, trained and accredited 150 independent observers to monitor the referendum at polling stations in Bishkek, Balykchy, Osh, Jalalabat and Naryn. Since the law in force at that time did not contain the notion of "a local independent observer", the Forum had to address the Central Election Commission and to get written permission for admission of observers to the polling stations from Chairman Imanbaev. Based on the results of this first experience of monitoring an election process, the Forum issued a report which was distributed among all interested organisations. The accumulated experience of observance allowed the Forum, by now the Coalition, and its members to play a significant role in the discussions and adoption of the new Election Code in the beginning of 1999. Later the Coalition For Democracy and Civil Society organised a national campaign to observe local council elections in October 1999. The campaign brought together 130 non-governmental organisations and 2000 citizens and it was an unprecedented action for civil society in Kyrgyzstan. A total of 2700 trained observers acted as monitors throughout the whole country during the campaign – of them 1849 were accredited as independent and impartial observers.

Chronology of activities of the Coalition of NGOs "For Democracy and Civil Society" - participation of NGOs in election processes. <sup>10</sup>

- 2000 February. Monitoring of parliamentary elections at 800 poling stations. Training of 135 long-term observers, 2000 independent observers and 3000 observers from political parties and candidates.
- 2000 October. Monitoring of presidential elections.
- 2001 March-April. Participation in pilot elections of heads of local self-governing bodies (LSG). Lobbying to make amendments and additions to the Code on elections of LSG.
- 2001 December. Monitoring of elections of LSG
- April-August. Large scale campaign to create "Corps of leaders of local self-governance".
- 2002 August. Joint conference with CEC "Civil Society Bodies and Elections".

-

<sup>&</sup>lt;sup>9</sup> More information is available at http://www.ngo.kg/koalitsiya.html

<sup>&</sup>lt;sup>10</sup> Ibid.

- 2002 October-November. Nationwide discussion of the new draft Constitution in all regions of Kyrgyzstan. 65 meetings, a social survey of 3750 respondents, a special print run of 40,000 Democrat newspapers
- 2003 February. Major campaign to observe 2 February referendum
- 2003 September. Second joint conference with CEC "Civil Society Bodies and Elections".
- 2004 April. Coalition campaign for public access to parliamentary reports.
- 2004 August. Third joint conference with CEC "Civil Society Bodies and Elections".
- 2004 Monitoring of parliamentary elections.

#### Methods of Influence of NGOs on Government Structures

In the process of its formation, the third sector of Kyrgyzstan has developed various methods of influence on the state, but this influence only becomes possible when non-governmental groups get rid of their image as "petitioners" and find the right way to behave with the authorities. Relationships can develop from a position of confrontation and end up with a position, where NGOs are able to influence decisions and further to where relations can grow into real partnerships. A description of such methods is provided below:

- Provision of quality information. NGOs often conduct different types of research and surveys that are necessary for their project activities. Unfortunately, quite often such information remains hidden and used only by one organisation. NGOs could disseminate the results of their research among different structures which could find this information useful, and thus recommend themselves as sources of quality information.
- Cooperation with relevant international instances. Kyrgyz women's organisations have successful experience of training for both governmental and alternative reports on implementation of the UN Convention on Elimination of all forms of Discrimination Against Women. Many governmental structures do not have sufficient resources and knowledge of international structures; therefore they are ready to cooperate with NGOs. And NGOs have a real opportunity to lobby their interests through this cooperation.
- Impact through mass media. Organisation of educational and protest campaigns through mass media is a technique that has been used by our NGOs for a long time. These campaigns attract the attention of both local and international communities to the problem, expand the number of supporters of NGOs and activate bureaucrats to cooperate with NGOs. Some NGOs publish their own mass media.
- Participation in the work of government advisory bodies. Examples of participation of NGOs in such advisory bodies were mentioned in the section above.
- <u>Lobbying of draft laws.</u> One of the most successful examples of lobbying for a draft law was a campaign organised by Diamond Association in 2002. The NGO developed the draft law On Measures of Social and Legal Protection from Domestic Violence in cooperation with the Ministry of Internal Affairs and the law faculty of the Kyrgyz Russian Slavonic University. For the first time 30,000 signatures were gathered by supporters of women's NGOs in order to submit this draft law to parliament as a civil legislative initiative. The draft law was approved by legislators and the President.
- Organisation of peaceful rallies and other public action. In a situation where nongovernmental organisations fail to attract the attention of government structures and society to serious social problems, they use the method of peaceful rallies and public actions as a measure of last resort. For example, in April 2006 the Coalition for Democracy and Civil Society initiated a peaceful demonstration of citizens "For Law and Order" in order to stand up against the influence of criminal groups on public life. In some cases, these actions can influence and change government policy For example, pickets of pensioners in 1999 in front of the Government House and the Jogorku Kenesh brought amendments to the Law of the Kyrgyz Republic On Provision of Pensions.

#### NGOs and Promotion of Public Policy

From the moment of its creation, the Centre for Social Technologies has been implementing projects on protection of rights and promotion of interests of civil society groups that are based on the technique of public policy (agreement of interests of various groups and improvement of practices in the process of political decision making and legal norms). A necessary component of these projects is the organisation of dialogue between all sectors and communication between interest groups.

On the initiative of CST, partner organisations in the government and non-governmental sectors conducted a Coordination Summit "The state and society: steps to realise the partnership in the name of the future" in 2005. On 15 June, President Bakiev, based on the results of the completed project, signed a Regulation on creation of a group to develop a draft working programme on measures to expand, legislate for and introduce forms of dialogue between government bodies, local self-governing bodies and civil society (formats and procedures of public policy). On 11 May 2006, based on the results of the work carried out by the group, the President signed a Decree "On measures of expansion, legislative provision and introduction of forms of dialogue between governmental bodies, local self-governing bodies and civil society in the Kyrgyz Republic."

In addition, CST participates in the development of Strategic Plans for Local Community Development (villages and towns), based on principles of coordination of interests and consideration of the views of members of local communities and various sectors. CST actively participated in the promotion of the idea of Local Development Centres and creation of the National Development Network. CST has a partnership network throughout the country. Participants of the network (CSSCs, NGOs and experts) were trained at different seminars and gained skills in organisation of communication activities in order to solve the problems of local communities. At present CST continues to work with the mayor's office and urban community of Mailisuu to correct the Strategic Plan for Urban Development; with the urban community of Balykchy to promote procedures and standards for adjustment of interests; with the communities of the towns and cities Karakol, Talas, Kerben, Osh and Naryn to train public organisations and lower structures of local self government on communications projects.

A.Madeuyev, CST

# Independent Environmental Expertise<sup>11</sup>

Since 1999 a confrontation between the Mayor's Office of Bishkek and environmental NGOs, supported by the urban population and mass media has been ongoing concerning the construction of a combustion plant in the city. Internationally, combustion plants are considered to be highly dangerous. Together with heat, which is planned to be produced on the incineration of garbage, a huge amount of harmful substances are produced that are impossible to filter. Therefore the decision of the mayor's office to construct such a plant gave rise to considerable concern among city residents. In spite of this, the municipal authorities told Bishkek residents that the plant will be constructed by foreign company ITI. Moreover, even state environmental expertise was ignored by the municipal authorities. The Ministry of Environmental Protection (now the Ministry of Ecology and Emergencies) pointed out to ITI the need for an urgent development feasibility study and an environmental impact assessment in

<sup>&</sup>lt;sup>11</sup> Materials of DFID Project "Public Finance Reform", "Consultation of Governmental Bodies with Citizens in the Kyrgyz Republic", June 2005, at 15-16.

full compliance with legislation. The public, supported by environmental NGOs, demanded a report from the Mayor's office. In November 1999 just one meeting was held between representatives of the mayor's office, ITI and NGOs. The sides failed to come to an agreement as information provided by ITI was largely advertising and was not specific. A written request of NGOs to provide comprehensive information on the technologies of the future plant, its feasibility study and a copy of the agreement concluded by the mayor's office and ITI, in order to conduct independent expertise went unanswered. Then citizens started undertaking independent action. Non-governmental organisations (BIOM, GLIP, Aleyne, Green Women, Independent Environmental Expertise and others, a total of 20 organisations) contacted colleagues from other countries by Internet and received extensive information, including technical information on combustion plants. In the opinion of an independent expert from Kazakhstan, a violation of a number of articles of the Law "On Environmental Expertise" and the administrative code were obvious. Besides, the independent expert believes that "the case in question can be classified as a violation of the constitutional right of citizens of Kyrgyzstan for a favourable environment". Bishkek NGOs conducted public analysis of the project, and pointed out weaknesses that should be eliminated. All these facts were published in the press and placed on the Internet. As a result of the coherent and professional pressure of environmental NGOs, regular coverage of the problem in the mass media and full support of the public, the mayor's office had to cave in. Municipal authorities have not admitted defeat officially but the construction of the combustion plant was suspended. Since utilisation of urban wastes remains a sore point, a collection of tender applications for construction of the new plant is continuing. However, according to official information, a preference will be given not to a combustion plant but rather to a waste processing plant, which is more expedient from the environmental point of view. The goal set by environmental NGOs in relation to this particular ecologically harmful project was reached in this case.

Thus, it can be concluded that in spite of the accumulated experience of both successful and unsuccessful dialogue between the government and non-governmental sectors in Kyrgyzstan, it is still necessary that participants work together in the process. In order to develop and institutionalise the dialogue between non-governmental organisations and government bodies the following conditions are necessary:

- Capacity building of NGOs themselves, professionalisation of their operating methods, development of communications and cooperation within the sector;
- Wide outreach and publicising of the social partnership between sectors at the level of government bodies and NGOs;
- Improvement of the existing national legal framework to ensure favourable conditions for the development of the NGO sector, as well as wider involvement for it in the decision-making process at the level of public administration;
- Development and institutionalisation of the practice of obligatory distribution of draft decisions that are of public importance to a wide circle of interested non-governmental partners to ensure their discussion;
- National public discussions of the most important decisions and draft laws, as well as definition and regulation of how the results of such discussions will be used.

#### 3.3 Charity, Corporate Social Responsibility and Social Entrepreneurship

"I would prefer to give money directly to the orphanage or homes for the elderly. Although I have heard about nongovernmental organisations I do not trust them as I do not know them well. I do not know what they are doing. And why do we need intermediaries? If one can and wants to help someone, he/she can do it by him/herself: just buy something and take it to the orphanage."

From interview with Manager of a large Company, Bishkek, July, 2006

Charity and corporate social responsibility are relatively new phenomena for Kyrgyzstan. Emergence of these phenomena has a number of causes: the situation that developed in the country during the last decade led to significant stratification of the society. In the process of transfer to market relations the state has significantly narrowed down its functions of regulation and development of the social sector. As a result people faced a large number of risks against which they have to protect themselves. Weakening of the state social security system resulted in an urgent necessity for social sector support by the public. Perhaps these major factors contributed to the fast emergence of charity as a social phenomenon.

From an economic viewpoint charity is an efficient mechanism for re-distribution of financial resources among owners of these resources and their direct consumers. The efficiency of this mechanism is in the fact that the mechanism is a direct and targeted tool for distribution of resources when compared with the budget and taxation system. Thus, it is accompanied by less average costs. The issue of private enterprises' participation in the social sector in developing countries is less important than in the West as governments in developing countries are often unable to ensure proper social guarantees for their citizens. This issue exists in Kyrgyzstan as well. The nature of charitable activity in Kyrgyzstan shows that companies do not fully understand the potential benefits of social activity. The major reason for the companies to join the corporate responsibility movement lies in the lack of trust of business in society. Today one can state that such practical tools as social responsibility are becoming a norm in corporate governance. During the years of independence the social and cultural situation in Kyrgyzstan has changed greatly. The social make-up of society has changed as well: it has become more open, mobile and informed. Society started moving; and many social institutions that used to ensure stability and confidence of the people in tomorrow disappeared. Gradually a modern person understands that many things in society can be done independently, through carrying out social activity, having a clear civil position, and not waiting for changes by the state.

During recent years a legislative framework for formation and development of charity activity has been laid down in the country. The major act is the Constitution of the Kyrgyz Republic; in particular, Article 27 of the Basic Law stating that development of charity activity is encouraged in the Kyrgyz Republic. This constitutional provision was further developed in provisions of the *Civil Code* and the Law *On Noncommercial Organisations*. Provisions of the *Civil Code* provided for legal status and defined organisational and legal forms of noncommercial organisations.

The real basis for developing charity was laid down in the special Law *On Patronage and Charity Activity* adopted on 6 November 1999. The major goal of the Law is wide dissemination and development of charity activity in the country.

This Law was needed because of the specifics of charitable activity. Aiming at socially useful goals this activity should be supported by society and the state (this is the case in developed countries). On the other hand, the charitable activity should meet specific requirements that guarantee targeted use of the support. Moreover, the Law established the basics of legal regulation of charitable activity and defines possible forms of support by state and local self-government bodies.

One of the major and traditional forms of support by the state is creation of a favourable tax regime for charity givers. As the practice shows, the fiscal aspect in dialogue among the participants of the charity activity is of special interest as it is the area where the issues of charity are regulated by tax legislation and where mutual interests and joint efforts of benefactors and beneficiaries overlap. These issues, as a rule, relate to preferential taxation. The Law *On Patronage and Charity Activity* (hereinafter Charity Law) lacks clear criteria for determination

of the status of a charitable organisation, which would otherwise give it a right to enjoy an adequate tax regime. This can be explained by the fact that the given Law was adopted during the mass humanitarian aid period: at that time there was a need to regulate flows of distribution and redistribution of humanitarian aid. At present there is a need to review the Law and introduce clarifications. In its current status the Law does not encourage business to engage in charitable activities. Benefits and preferences established for participants of charitable activity do not work and do not stimulate the activities of charitable organisations and donors. The legislation does not create favourable conditions for efficient control; it does not protect charity givers from administrative and criminal arbitrariness. The Law can easily make activities of a donor or charitable organisation impossible. On the other hand, the lack of a well-thought out, justifiable system of benefits impedes charitable activity as it does not allow the resources existing in society to be used fully.

The lack of attention to charity leads to a lack of necessary analysis of charitable organisations. Even the Tax Inspectorate and State Statistics Committee have difficulties giving accurate figures for such organisations and the dynamics of their cash flows. The economic effect of each preference or investment in charity is not evaluated.

Poorly thought out state policy on charity has resulted in the existing system of preferential treatment of charitable organisations that are close to power. With the help of charitable organisations, commercial structures have taken advantage of charitable status in the interests of their business. Such cooperation has nothing to do with social partnership and social responsibility of business.

Irrationality and unfairness of the system of preferences and privileges granted to participants in charity activity is the key factor leading criminalisation of the charity area.

The imperfect legislation regulating charitable activity, acquiring charitable status, accounting and reporting, and ensuring transparency of the charitable sector hinders the work of genuine benefactors and increases their costs. On the contrary, a favourable environment that permits inefficient and non-targeted use of public resources received by the charitable sector was formed for dishonest organisations. Society does not have tools to pressurise the narrow group of representatives of state bodies, charitable organisations and their pseudo-donors from business circles that enjoy a significant share of preferences for their selfish interests.

Poor attention to the charitable sector is explained to a large extent by a fear of cardinal reforms of the social sector. The capacity of nongovernmental entities is not considered a substantial factor for societal development, as compared with the market and democratic systems.

Budget funds are allocated through closed mechanisms. Charitable organisations have practically no access to this source. Non-transparency of state and municipal structures, and access to budget funds of organisations with connections, leads to abuse and corruption. In this case intersector interaction becomes a part of the shadow economy.

The majority of charitable organisations are thus cut off from significant sources of funding for their projects. Even in cases where officials participate in charity programmes, this leads to an outflow of resources from the private charity sector. Currently the state acts as its major competitor in terms of attracting funds for solving social problems. Public funds are pumped into the funds created by the authorities and then are wasted or misappropriated.

Budget problems, firstly; high dependence of business on state and municipal policy, secondly; and strong motivation for merging of the authorities and the market structure, thirdly; lead to continuous

interference of official structures in the area of charity, although the latter by its essence should remain private. It turns out that in order to make charitable contributions the blessing of the authorities is needed. Thus the flow of private resources into the charitable sector is impeded. Only projects receiving administrative "blessing" from the authorities are implemented. Motivation of both donors and charitable organisations to form a material base and resources for charity decreases. This also reduces already scarce material, technical and financial resources.

The social and economic situation with a large proportion of the population on low incomes and an absence of a middle class, means there is a relatively low level of resources accessible for charity.

The lack of a determined and encouraging policy in the charitable sector has resulted in unfavourable conditions for charitable activities. In particular, charitable organisations and beneficiaries participating in the charitable process bear unjustifiably high tax obligations to the state. This increases overhead expenses and decreases the motivation of potential donors.

#### Social Entrepreneurship

During 2003-2004 many NGOs in Kyrgyzstan faced issues of financial sustainability and independence. There are several reasons for such a situation:

- A reduction of grant support all over the country;
- A reduction of grant funds for Central Asia;
- The focus of donor organisations on new recipients, such as Georgia, Azerbaijan, Afghanistan and Iraq;
- A reduction of support for social programmes;
- Preferences of donors to fund specific projects rather than continuous activity of NGOs.

The departure of many international foundations and agencies from Central Asia coupled with the continual focus of many of those who stayed on project-oriented funding made leaders of NGO look for alternatives. Efforts to help NGOs achieve more financial sustainability usually entail training of NGOs on diversification of donor resources and decrease of dependence on one single donor. Many NGOs are forced to go "where the money is" regardless of whether project priorities formulated by potential donors are consistent with the long-term strategic plans of the NGO. This approach involves NGOs in an endless circle of financial dependency. Growing disillusionment with the current funding situation drew the attention of NGOs of Kyrgyzstan to the concept of social entrepreneurship. During the last decade the interest of many NGO leaders in searching for funds to strengthen their own possibilities and to create new sustainable sources of funds for their activities increased. Now they are confident that local charitable activity, though very important, will not solve the financial problems of the sector due to its underdeveloped nature and tendency to focus on specific types of activity. It is quite obvious that whereas the term "social enterprise" is quite new for Kyrgyzstan, the terms "profit-making activity" or "self-financing" have been used for quite some time. Some NGOs are now among the most innovative and business-savvy social enterprises in the country.

Apart from grants, many NGOs have started thinking seriously about other sources of funding. Whereas before this meant only individual paid services and consultations, currently a climate is developing for the emergence of "social entrepreneurship" or socially oriented business among NGOs in Kyrgyzstan. Various donor organisations have contributed to this trend. For instance, during 2003-2005 Counterpart International provided technical and financial support to over 30 NGOs in the country for the establishment and development of social enterprises. Helvetas contributed to the creation and further development of tourism based on local communities. A

number of international organisations, such as Mercy Corps, ICCO, and Hivos made contributions to the development of microcredit organisations, which were established as NGOs.

There are several examples of corporate philanthropy in Kyrgyzstan. One of the most successful examples is Kumtor Microcredit Agency Public Foundation (hereinafter Kumtor MCA PF) established as Leader CCI PA. Kumtor MCA PF was granted financial support from Kumtor Operating Co, which is one of the largest gold mining companies in Kyrgyzstan, and provides credit to the population and grant support to NGOs in the region.

### <u>NGO</u> <u>Solution Micro-crediting Agency</u>

Leader organisation is perceived by many people in Issyk-Kul oblast as a place where public groups and citizens with initiative can receive different kinds of help. Over 6000 people visit the MCA annually: they take part in training, obtain consultations and receive help, including financial aid. Therefore, it is not a secret that the most popular motive of people visiting the organisation is similar to a popular saying: "Do not teach me how to live, help me with money!" This confirms the famous saying: the customer is always right. For several years the organisation has been working on distribution and administration of grants, however, such programmes were as a rule completed in one year and never started again. This was reported at the Advisory Council meetings as a key problem factor leading to instability. The issue of searching for other internal sources for the region's development with the help of local state and business structures has been continuously raised. During this time the Manager of the Foreign Relations Unit of Kumtor Operating Company, Tynara Shaildaeva (a member of the Advisory Council of Leader CCI PA since 2000) heard about these problems. On her initiative a series of round tables were held during 2000 with participation of NGOs, representatives of communities and initiative groups who repeatedly discussed the lack of an accessible and sustainable development fund in the region. Finally in 2003 a large conference was held, attended by representatives of over 60 NGOs of Issyk-Kul oblast and representatives of Kumtor Operating Company. The conference adopted the decision to create a Fund based on renewable and sustainable principles of development that would supplement the fixed assets. Kumtor Company allocated funds for initial financing of the Fund. Leader CCI PA faced numerous tasks, such as creation of an efficient competitive system of distribution and administration of grants and loans. Analysis of the situation, possibilities and obstacles led to a need to obtain a license for microfinancial activity and register a new legal entity. The Fund was registered two months later. It also received a licence from the National Bank of the Kyrgyz Republic. Then laborious routine work started, in particular, internal regulations have been developed and subsequently approved at a meeting of the Committee in cooperation with Kumtor Operating Company and agreed with the Advisory Council. In May that year a grant competition was held; grants were allocated and some time later the credit line started working.

Today many difficulties have been overcome; there are good initial results both in terms of development of internal capacity of the Fund and in terms of establishing efficient relations with external partners. The Fund has an image not only of a sustainable micro-financing institute, but also of an organisation that is socially important and oriented to social goals. The mission of Kumor MCA PF is to prevent poverty; secure working places and develop business among local NGOs and communities in Issyk-Kul oblast through access to loans provided by various Funds. Today employees of Kumtor MCA PF not only provide meaningful, high-quality and free consultations regarding the terms of receipt and return of loans, business plan development, strategic planning and organisational development. Consultants for the Fund are also integrated in targeted social work.

Interest in grant programmes is increasing. Every year about 50 applications are filed for grant competition; of them 12 are awarded grants. According to monitoring and observation of the

Small Grants Programme, it is the only possibility to put ideas into practice for many public organisations. For instance, the dance-club "Nadezhda" [Hope] was awarded a grant for covering travel expenses and costume sewing for participation in the Crystal Note national competition. The club won second prize and the chance to participate in the international competition in Almaty. The group was awarded fifth place out of participants from 30 countries. This would not have been possible without support from Kumtor PF. Another example is creation of a veterinary service in Balbai village of Tyup district with grant support. This helped to reduce diseases of cattle and population. There are many success stories like this!

Abdieva Banur, Chairman of the Board, Leader CCI PA Beishembieva Cholpon, Senior Credit Specialist, Kumtor MA PF

Despite the fact that the concept of social entrepreneurship is supported and maintained by many NGOs in the country, some representatives of the civil sector state that business and NGOs are not consistent and that such policies contradict the nature of NGOs.

### 3.4 Activities and Policy of International Organisations in Kyrgyzstan

It was not the authors' intention to analyze the activity of all international donor agencies and international NGOs that have ever operated in Kyrgyzstan. This section is a retrospective of goals and objectives that have been set and are set by structures supporting development of civil society in the country and region. The information herein was provided either by the organisations themselves or obtained through relevant Internet resources.

#### **Counterpart International**

Activities of Counterpart International in Central Asia were implemented in three stages. At the first stage (1995-1997) the major focus was on promotion of solutions to emerging problems with the support of independent organisations. This method of operation proved to be viable in the countries that recently gained independence from the centralised policies of the former Soviet Union. At this stage Counterpart worked with a large number of NGOs and provided services to strengthen the capacity of non-governmental organisations. Counterpart has been the leading organisation in the Consortium, whose partners specialised in different areas of NGO development:

- 1. *International Centre for Not-For-Profit Law (ICNL)*: worked on improvement of the legislative framework for NGO activities;
- 2. Aid to Artisans Organisation: supported traditional crafts;
- 3. Civil Network in Support of International Relations: assisted farmers' organisations;
- 4. Good Will Industry: engaged in supporting the disabled.

Starting from mid 1997, the activities of the Counterpart Consortium became an integral part of USAID's Democratisation Strategy. Thus, during the second stage the major focus was on NGOs as a component of civil society and on strengthening the role of NGOs in assisting citizen participation in making political and economic decisions. During this period Counterpart Consortium identified the NGOs most suitable for fulfilling the tasks above. Therefore, the scope of counterparts had been narrowed down, yet the majority of the selected NGOs represented all regions in the country.

During the third stage (2000 - 2003) the major goal of the Counterpart Consortium remained the same, notably, involvement and activisation of citizen participation in the decision-making process. However, the means to achieve these goals were changed:

- Services to create capacity among nongovernmental organisations go beyond the boundaries of capital cities;
- Target groups are local NGOs and local community organisations that are provided support in their efforts to establish policy dialogue with the authorities at municipal, district and regional levels.

Such changes were made for several reasons: primarily, because of the fact that a strong civil society is a guarantee of long-term democratisation of the country. NGOs are organisations that can assist citizens in acquiring new participation skills in democratic processes and applying these skills in practice. Although the Government of Kyrgyzstan in many cases is willing to establish political dialogue with NGOs, experience shows that dialogue between officials and NGOs could be more efficient in places. Since independence was declared, local state bodies have faced two irreconcilable phenomena: on the one hand, increased demand for specific services that the Government has stopped providing; on the other, a decrease of resources available to provide such services.

Thus, the local authorities showed their specific interest in new forms of cooperation to address everyday problems that could not be ignored by local communities. Centres for Support of Civil Society were called to become catalysts allowing Counterpart to assist local NGOs, with many of which Counterpart has been working for several years. The Centres also helped Counterpart extend its coverage of local communities and assisted the latter in mobilising to address problems arising. Such a new approach has been deployed in four areas:

- Community Mobilisation. CSSCs share new methods of expansion of activities for NGOs with local communities. These methods allow communities to start working independently to solve emerging problems;
- **Protection of Rights and Interests.** CSSCs transfer skills for introducing changes to NGOs. These skills also include explanatory activities among the population, establishing dialogue with state bodies and directing work more efficiently;
- **Social Partnership.** CSSCs help create legislative, psychological and organisational frameworks for long-term collaboration between NGOs, mass media, state bodies and business structures:
- **Volunteer Services.** CSSCs use volunteer services to mobilise local resources, solving issues of local communities and creating possibilities for the population to participate in current processes, and influence them.

NGOs assist local communities in carrying out joint evaluation under which the communities themselves identify priority problems, propose ways to solve them and implement the solutions in practice. Such an approach, oriented toward local communities, adapted to cultural traditions of various peoples of Central Asia and reinforced by a strong nongovernmental sector have laid the basis for Counterpart's activities during the third stage.

CSSC provision of financial, informational and technical resources is the basis of the Programme. Long term perspectives for work with local communities mean that CSSCs must become independent major strategic elements of the Programme. It is assumed that CSSCs will become a source of resources for NGOs in their respective regions for many years. A national network of CSSCs has been created in the country.

At the same time the strategy for CSSC independence is aimed not only at using the existing resources in place. Rich experience has demonstrated that in the majority of states of the former Soviet Union the economies are not quite strong enough to accumulate enough resources for civil society within the countries. In this regard, Counterpart's strategy is to continue to attract

external resources for NGO support provided that donors, such as UNDP, USAID, World Bank, UNHCR, European Union and others sign direct contracts with the CSSCs, who in turn will represent the national network.

Financial and technical assistance provided to the Centres by Counterpart is aimed at achieving two goals. First, it allows the creation of viable organisations that have become fully independent local organisations. Secondly, it has provided material assistance thanks to which the Centres can provide a set of 9 services for NGOs in their communities. These services include:

- 1. Training;
- 2. Consultation;
- 3. Provision of information;
- 4. Work with donors;
- 5. Community coverage;
- 6. Hiring and training of volunteers;
- 7. Protection of rights and interests of citizens;
- 8. Monitoring and evaluation;
- 9. Assisting in partnership development.

As CSSCs are of special importance for implementation of the third-stage Strategy, the major component of Counterpart is organisational development. The existing regional representative offices of Counterpart are moving from provision of direct services to NGOs towards ensuring organisational unity of CSSCs. A new priority is to become competent in organisational development to assist the CSSCs in strengthening their own organisational structures and provide consultations on institutional evaluation of NGOs and other types of technical assistance on issues that are poorly covered today. The main focus is on strengthening the management system to ensure the viability of the Centres.

The major concept was that the CSSC network be a structure with sufficient organisational possibilities, managed by its members, to become a "gateway" for donors who are wishing to fund civil society development activities with the help of genuinely local organisations. It is assumed that five national networks of CSSCs shall be incorporated within the regional network, which will allow better regional dialogue

# Under the Programme framework Counterpart shall provide grants in the following four categories:

- Grants for institutional support;
- Grants for local community activity;
- Target grants;
- Grants for NGO support.

The new area of activity has led to a decrease in the number of grants to NGOs. The majority of grants are now aimed at creating the CSSCs (grants for institutional support) and for assisting small local communities to receive technical support from NGOs in their activities.

#### Soros Foundation - Kyrgyzstan

Soros Foundation - Kyrgyzstan is a non-commercial charitable international organisation that is a part of a network of organisations created by famous philanthropist George Soros. One of the major areas of Soros Foundation - Kyrgyzstan activities is grants that can be used only for

charitable goals. Soros Foundation – Kyrgyzstan promotes involvement of the public in processes of democratic transformations and supports civil initiatives in the following areas:

- Protection of Human Rights and Liberties. Initiatives, reforms and institutions strengthening protection of human rights and liberties, respect for rule of law and the value of democracy are supported within this scope of activities. The major principle of the activities is promotion of the establishment of civil society bodies through grant support of their initiatives. The Foundation also intends to work on creation of a favourable environment for civil society bodies to work.
- Civil Society Development. Special attention is paid to development of civil self-consciousness and civil society as a major prerequisite for open society. The scope of activities in this area covers, *inter alia*, development of the non-governmental sector, support of mass media, promotion of gender equality, and ethnic diversity.
- Promotion of Standards and Formats of Public Policy.
- Increase of Efficiency of Public Administration and LSG through involvement of civil society in administration issues.

Since 1996 Soros Foundation – Kyrgyzstan has supported a broad range of nongovernmental organisations through training programmes aimed at developing NGO capacity for institutional and organisational management, as well as grants for NGOs for implementing programmes in the social sector. In 2001 Soros Foundation – Kyrgyzstan changed its approach to civil society development. After consultations with representatives of nongovernmental organisations the Foundation proposed a new strategy for its NGO Support Programme based on institutional development of civil society. The given change was dictated by an understanding that only a strong civil society can make a long-term contribution to the country's democratisation. During 2001-2002 a foundation for developing the new approach of the Programme and strategic goals was developed. In particular, the project aimed for institutional development of civil society of Kyrgyzstan through:

- Strengthening existing public associations that had proven their stability and played an active role in society for the purpose of achieving financial sustainability and independence;
- Support of initiatives of non-governmental organisations aimed at solving issues in the legal and social sectors in partnership with other NGOs, state and commercial structures;
- Support of initiatives of new rural non-governmental organisations aimed at improving the social and economic situation in the communities.

## The Strategy of the NGO Support Programme for 2005-2006 is aimed at:

- Development of highly professional non-governmental organisations that are the major guarantor and carriers of democratic values and interests of the population, overseeing the quality of public administration and promoting development of various forms of self-government in all key areas of the society's activity.
- Stimulation and support for developing and introducing procedures and formats of daily democracy. Daily democracy means fair, consistent, rational, statutorily defined and uniformly applied rules of interaction between the state and the civil society in solving such issues as: protection and exercise of rights and legal interests of citizens; creation and development of efficient governance systems, quality of public services for the population; and social and economic development of territories.
- Identification and encouragement of civil initiatives (public initiatives that ensure exercise of rights and legal interests of citizens in different areas of public life).

- Monitoring of public and political processes that have an impact on the environment where civil society is developing, support of positive tendencies and efficient response to any aggravations.

Since 1996 Soros Foundation – Kyrgyzstan has supported Women's NGOs initiatives. In 1998 Geneva Networking (International) Programme of the Open Society Institute (OSI) offered the national Soros Foundations the opportunity to take part in joint international projects.

## The goals of the activity of the **Women's Programme** are as follows:

- Increase public awareness of issues of violence against women through development of institutional mechanisms to protect the rights of female victims of violence. Application of such mechanisms in public campaigns and preventative programs;
- Dissemination of information and explanations of gender aspects of social development with the help of mass media, education and research studies and projects implemented by women's NGOs;
- Support interethnic, inter-regional and international cooperation and contacts between women's organisations.

Under the sub-programme Prevention of Violence against Women two inter-related areas have been developed: activities to create and develop a Crisis Centre network and promotion of cooperation between various structures in society for the purpose of increasing public awareness of violence against women.

Since 1998 the programme has promoted development of a network of Crisis Centres in Kyrgyzstan. The Programme Strategy was to support the opening of Crisis Centres by successful women's nongovernmental organisations in Bishkek and in the regions. The Programme also supported a project of the Association of Crisis Centres aimed at institutional development of Centres in Kyrgyzstan.

<u>The Ethnic Minorities</u> Programme of Soros Foundation – Kyrgyzstan has been in place since 1997 under the Programme Block Civil Society. The mission of the Programme is to build a multicultural society in Kyrgyzstan with coherent interethnic relations.

In 1997-1999 the Programme supported institutional development of public organisations of the ethnic groups of Kyrgyzstan, as well as developing public awareness of peaceful co-existence of all ethnic groups through:

- Grant support to national cultural centres (NCCs) at the Assembly of the People of Kyrgyzstan (grants for opening Sunday schools, organising folklore groups at the NCCs, organisational development), printing bodies of NCCs, public organisations of ethnic minorities, and educational institutions studying the languages, literature and cultures of ethnic groups of Kyrgyzstan.
- Organising a series of informational and consultative workshops for representatives of NCCs and public organisations of ethnic groups of Kyrgyzstan;
- Publishing activity to expose spiritual and ethical values of the national cultures of various ethnic groups.

In 2000 when the principle of inter-sectoral dialogue became a priority in the activity of Soros Foundation – Kyrgyzstan, the Ethnic Minorities Programme initiated mass media tenders among partnership projects of NCCs of the Kyrgyz Republic. Under these tenders interesting projects on creation of TV and radio programmes covering momentum of activities and contribution of

ethnic groups to the country's development were supported. In 2001 a tender on repair and reconstruction of social infrastructure in the regions of the country was announced for partnership projects of public organisations of ethnic minorities and local authorities.

The Ethnic Minorities Programme set the following tasks for 2006-2007:

- Assistance for preserving poly-ethnicity and multiculturalism in Kyrgyzstan's state policy and further development of Programmes on interethnic integration; promotion of the principles of the Concept of Ethnic Development as an image for future Kyrgyzstan (information and communication activities, grant support of projects).
- Support for the development of various organisations working in the area of interethnic dialogue and integration to increase responsibility, prepare for partnership, master strategic approaches to activities and so on (organising a Summer School, work with experts, conducting research studies, organising consultations and workshops).
- Assistance in increasing real and online communication platforms among ethnic development agencies, expansion of possibilities and scope of participants in discussion to tackle issues, creation of conditions for initiation and implementation of joint projects, and so on (projects with mass media, website support).
- Development of a system of activities to promote a strategic approach to deployment in the work of state bodies and LSG (training, creation of pilot platforms, consulting and monitoring).
- Support of ethnic development processes at the local level (training, creation of communication platforms, grant support for projects).
- Introduction of procedures for ethnic and civil examination to prevent unreasonable actions in the ethnic field (work with experts, organising consultations, methodological support).

Apart from the programs described Soros Foundation – Kyrgyzstan supported noncommercial organisations through such programmes as Human Rights, Healthy Communities, and Economic Reform.

# Small Grants Programme of the Democratic Commission of the US Embassy in the Kyrgyz Republic

The Democratic Commission of the US Embassy was established in 1994 as a flexible mechanism for supporting local initiatives that promote openness and competitiveness in the political and economic fields, as well as promoting the democratic processes in the Kyrgyz Republic.

Nongovernmental organisations and independent mass media from all towns and regions of the Kyrgyz Republic can submit project proposals for the Democratic Commission's consideration which promote formation of civil society, free exchange of information (including support of independent mass media); transparency of Government activity; public education and lobbying; creation of consortia; law leadership and judicial reform; conflict resolution; respect for human rights; civic education; environmental protection; market economy; campaigns preventing human trafficking and corruption, including training and informational campaigns; equality of minorities, and gender and national equality.

The Democratic Commission provides grants up to 24,000 US dollars, and these grants:

- give an incentive to pluralism of opinions;
- facilitate dialogue between communities and authorities;

- assist citizens to learn more about the democratic system (including the judiciary, the legal system, local legislation, civil rights, and the role of the government);
- aim to reach their goals in conjunction with other similar projects.

The Commission coordinates its work with other donor organisations in order to increase project impact and prevent duplication.

### **INTRAC** (International Centre for Training and Research of NGOs)

INTRAC began working in Kyrgyzstan in 1994 with a UNDP invitation to create a programme for poverty reduction in communities. From 1994 to 1997 the organisation was engaged in capacity building for NGOs and organisations supporting NGOs in organisational development, strategic planning, development of small-scale business, PRA (rural needs assessment based upon joint participation) and other institutional support. At the end of 1996, a study of two years activity of INTRAC in the Central Asia was carried out based upon analysis of experiences and lessons learnt. In the course of the research a major conclusion was made that organisational development and capacity building allows only limited development of the NGO sector, while the environment remains undeveloped. Therefore, INTRAC started to work on institutional development as a whole rather than capacity building for individual organisations in the sector. From April 1997, INTRAC has been implementing a programme of multiple strategic approaches to support institutional development of civil society and has been dealing with changes in social structures, which interact with NGOs, learning lessons from the past and constantly modifying the program due to changing circumstances.

From 2001 INTRAC changed its course. A new regional programme was created with the goal of institutional strengthening of civil society in 5 Central Asian countries (under DFID sponsorship, 2001-2004). New research and capacity building for social development was initiated and carried out. Some of the publications based upon this work are as follows: "Social development in Kazakhstan, Kyrgyzstan and Uzbekistan" (Earle and others, 2004), "Whose benefit? Monitoring and evaluation of social programmes in Central Asia" (Buxton, 2005), and "Development of civil society in Central Asia" (Earle, Giffen & Buxton, 2005). Today INTRAC works to consolidate NGO potential, supporting organisations strengthening social development in rural areas, as well as conducting training on leadership and development of networks between organisations and communities. INTRAC International Training Programme has been successfully operating for 3 years in Central Asia, and is aimed at strengthening organisational capacity, monitoring and evaluation, and remedial and partnership relations.

### Allavida

Allavida is an international organisation which is operating to transform the practice and results of financing the development processes, to provide grants and philanthropy in countries with middle and low revenues all over the world. The goal of Allavida's work is to change the lives of billions of people who live in poverty and to achieve social equity.

Allavida focuses on resources and possessions – those existing, and those people need to get the most benefit from property and possessions. At the community level Allavida distinguishes a number of social, cultural, natural and financial possessions. This means that both social capital (the network of social and cultural contacts, which keep community together) and economic capital (property and resources which allow people and communities to enjoy stable lives and then profit) are important factors for Allavida. At the national and regional levels Allavida concentrates on sources of resources, including donor agencies and grant givers, who work for development of essential experience, understanding, resources and adherence to social equity.

Allavida has been operating in the Central Asia since its foundation in 2001. Previously the organisation had been operating in the region through the Charity Knowhow grant programme. In cooperation with its partner Interbilim, Allavida set up a programme to support mutually beneficial relations between local authorities and community groups in two oblasts of Kyrgyzstan (2004-2007).

At present Allavida is conducting research on civil society development in the Central Asian countries, thus identifying good practice in a number of fields, focusing on intermediary organisations and willing to "promote" the region with important investment opportunities for donors. Also Allavida is studying initiatives to develop local philanthropy through acquaintance with existing traditions and good grant experience incentives.

### **International Centre for Not-for-Profit Law (ICNL)**

The International Centre for Not-for-Profit Law (ICNL) is an international expert organisation specialising in providing technical assistance to promote and support development of civil society and freedom of integration all over the world. The goal of ICNL in Central Asia is to improve legislative regulation of activities of civil society organisations through supporting efforts to adopt new effective legislation and secure implementation of existing legislation.

ICNL promotes development of the legal framework to regulate the activities of civil society organisations through attracting all stakeholders, and ensuring their competent participation in the process of reforms. ICNL's honest broker position ensures greater access for civil society participants to government officials who take key decisions on implementation of such reforms. The result of this process is improvement of NGO skills for protection and assertion of their rights, political dialogue and establishment of essential relations.

Moreover, ICNL is working to establish a favourable legislative and normative framework by including not-for-profit law courses in the curricula of institutes of higher education, introducing legal assistance for NGOs with the Centres to Support Civil Society, elaborating and supporting centres for NGOs and Government dialogue, as well as including not-for-profit law courses in the programmes of institutes and research centres developing and studying internal policy.

ICNL has been operating in Central Asia since 1995. The Central Asian regional office in Almaty was opened in 1997 with the support of USAID.

### **Eurasia Foundation of Central Asia**

*Mission:* Eurasia Foundation of Central Asia is mobilising public and private resources thus assisting citizens to actively participate in building their future through strengthening local communities and raising civil and economic welfare.

The Eurasia Foundation of Central Asia (EFCA) was registered in 1995 as a local social fund based in Bishkek; its goal was to continue the work of Eurasia Fund (EF). EF is a not-for-profit organisation with private governance; it has been operating since 1993. In Central Asia EF provided more than US\$38 million, out of which more than US\$6 million were spent to support local initiatives in public development, private enterprise, education and public administration in the Kyrgyz Republic. Officially registered in November 2005, the office in Bishkek conducted a grants delivery ceremony in May where all the grants that were previously managed by EF Representative Office in the Kyrgyz Republic, were officially delivered to EFCA.

### **Current programme guidelines:**

### 1. Improvement of quality and transparency of higher education

An essential component of the programme is implementation of the pilot project on development of curriculum rating methodology and its testing in eight pilot institutes of higher education where specialists in economics, business, jurisprudence and information technology graduate. The above professions are currently the most popular among entrants and have highest enrolment, while information technology leads to prospects in the labour market. The results of this research will reflect not general institutional ratings, but in-depth analysis of various aspects of education quality in the above specialties. The programme is supported by the Ministry of Education, Science and Youth policy of the Kyrgyz Republic. Eurasia Foundation of Central Asia signed Memorandums of Understanding with the Ministry of Education and 8 institutes of higher education on collaboration over this program.

### Programme components:

- Development of curriculum rating methodology and its approbation in eight pilot institutes of higher education graduating specialists in economy, business, jurisprudence and information technology.
- Introduction and development of a Board of Guardians to increase their role in managerial structures of institutes.
- Creation and introduction of Career Centres in institutions

### 2. <u>Development of community-based ecotourism</u>

The ecotourism programme has been developed to promote sustainable development and strengthen tourism in Kyrgyzstan through the introduction of ecological certification and creation of an Ecological Auditors Board. A US\$26,465 grant was allotted to Bishkek Financial Economic Academy for programme implementation.

### Programme components:

- Broad campaign of ecological education among population
- Strengthening the Kyrgyz Republic's tourism market
- Introduction of a system of good-will ecological certification for hotel and tourist companies in Central Asia
- Development of a system of ecomarketing to promote ecotourism to the international tourist market
- Development and issue of informational materials about the Ecological Auditors Board, good-will ecological certification, principles of ecological management and audit

### 3. Legalisation on external labor migration

The programme is aimed to protect the rights and interests of Kyrgyz labour migrants working in the Russian Federation. Under the above target initiative EFCA allotted US\$160,000 of grants and other assistance to local nongovernmental organisations and independent experts for programme implementation.

## Programme components:

- Ensure information and legal support for labour migrants
- Provide information about job vacancies in the Russian labour market
- Development of dialogue between civil society and the Government on problems of legal protection of labour migrants and their legalisation

### 4. "Open doors" Programme

EFCA gives grants for the most talented and stirring members of society, working at the local level on civil society development, state and local self governance and private enterprise. The majority of EFCA grants in Kyrgyzstan are delivered through the "Open doors" small grants programme, where proposals have been admitted since 1 July 2006 and are considered based on open quarterly contests.

Current grants under the "Open doors" Programme:

- The Central Asian Association to support Artisans training of trainers
- Association of vocational education workers development of a short term module on technical secondary specialisms
- Pangeya social and economic rehabilitation of female prisoners
- Social Fund to support development programmes including judicial reform in the Kyrgyz Republic
- Preparation for careers and graduates centres in 8 pilot institutes.

### 5. World Bank joint grants

- "Onor-Kenchi" PA Creation of economic capacity for disabled women
- "Manas-1000" SF Promotion of social partnership between NGOs, government and business in Talas Oblast
- "Centre for Social Research" PA Improving ethnic tolerance and multicultural education among senior pupils who live in Bishkek's newly-erected buildings
- "International court of arbitration under the Chamber of Commerce and Industry" PA –
   Development of the arbitration court as an alternative institution for resolution of cases between business subjects
- "Aitana" Fund to help children social adaptation of street-children with addictions
- "Orion" Volunteers Centre PA introduction of alternative punishment measures

### Priority programme guidelines for the years of 2007 – 2008

- Programme on legalising external labor migration
- Programme on increasing quality and transparency in higher education
- Programme on religious tolerance
- Programme on ecotourism development
- Programme on development of legislative and constitutional reforms
- Business Associations and Unions
- Development of youth initiatives
- "Open doors" initiative

### The National Democratic Institute for International Affairs (NDI)

The National Democratic Institute for International Affairs (NDI) is a not-for-profit organisation, which aims to strengthen and promote democracy in the world. NDI has been operating in the

Kyrgyz Republic since 1996. NDI programmes are aimed at rendering assistance for institutional development of democratic institutions in Kyrgyzstan such as Parliament, civil society, the mass media and political parties.

From 2001 to 2004 under the programme on strengthening civil society 260 civil activists were trained at NDI on issues of protection and promotion of rights and interests of citizens (advocacy) and contributed to an increase of public participation in the political process.

Through monitoring and small grants programmes NDI collaborates with a network of public defenders and coalitions, who are willing to make feasible contributions to tackle local and national problems in close cooperation with the Government. From April 2003 to May 2004 grants of US\$500 - 2000 were delivered to 48 NGOs from all regions of Kyrgyzstan to carry out advocacy campaigns on mobilisation of citizens to take an active part in decision-making at the local and national levels and to establish sustainable dialogue between citizens and authorities for resolving local and national problems. The projects supported by NDI were aimed at protection and promotion of women's rights, disabled persons, internal migrants, refugees, power consumers, and villagers needing land, and at increasing financial transparency in Jalalabat oblast, revealing problems, facilitating dialogue between communities and local government, lobbying for amendments to legislation on ecology and the law on "Rights of citizens for peaceful meetings, disarmed, for free conduct of mass meetings and demonstrations".

Since June 2005 NDI has been carrying out a programme for new NGOs seeking to promote democratic reforms. The programme is aimed at developing NGOs' sustainability and their capacity to carry out successful advocacy campaigns. Within this programme NDI cooperates with 8 NGOs working on the involvement of youth in constitutional reform, teachers' rights protection, fighting corruption, rendering medical services and increasing transparency of local state bodies.

With the help of 18 Information Centres to support Democracy (ICD) (which are operating in all the oblasts of Kyrgyzstan) citizens who live in rural areas and villages are given access to information and chances to take part in the country's development. The Information Centres host debating societies on the most important issues; provide facilities for NGOs and citizens' meetings, as well as access to libraries with a wide range of publications and educational films.

Since 1998 NDI has been cooperating with the NGO Coalition for Democracy and Civil Society. Since 1998 the Coalition has carried out wide-ranging independent observation of all elections and referenda conducted in Kyrgyzstan. Besides its programme on independent election observation, the Coalition has carried out a series of campaigns to strengthen public influence on decision-making at all levels. In particular, the Coalition conducted training for parliamentary deputies within the "Power of the Nation is in the Power of Keneshes" project, and participated in campaigns to alter the Elections code, the Jogorku Kenesh Draft Resolution "On JK regulations" and other drafts.

### The World Bank Small Grants Programme

The World Bank Small Grants Programme has been in place in the Kyrgyz Republic since 1996. The small grants programme supports local initiatives of nongovernmental organisations aimed at widening dialogue on social and economic issues, development of partnership relations in society, civil participation of vulnerable sections of the population and social mobilisation. Mostly, activities includes organisation of conferences and seminars, development of special publications, audio and visual materials, and carrying out other innovation and awareness raising actions. Grant making takes place once a year. In the period 1996-2006 inclusive the Bank

supported 98 projects that were submitted by nongovernmental organisations from the whole Republic.

### Chapter 4. Current Legal Status of Noncommercial Organisations

# 4.1 Dynamics of Changes in the Legislative Framework Regulating the Activities of Noncommercial Organisations

Despite the fact that the right to assembly was proclaimed in the very first Constitution of the Soviet Union and those of the Union Republics, until the beginning of the 1990s any public organisations were only established with permission.

The peculiarity of the then existing public organisations was their governmental status: they were in fact under the control of the Communist Party of the Soviet Union and served as appendices of the administrative and bureaucratic system.<sup>1</sup>

The statutory status of noncommercial organisations was defined by Resolutions of the CEC and APC of the USSR *On the Procedure of Establishment and Liquidation of All-Union Societies and Unions that Do Not Pursue Profit-Making Goals* of 6 January 1930 and *On the Procedure of Activities of Foreign and International Voluntary Societies and Unions within the Territory of the USSR* of 7 September, 1932 as well as by the resolution of the All-Union CEC and APC of the Russian SFSR *On Approval of Regulation on Voluntary Societies and Unions* of 10 July 1932.

Substantial changes in the regulatory environment of non-commercial organisations took place during *perestroika*. Increases in the public and political role of the population, and in the number of public organisations often not related to the CPSU, such as the Democratic Movement of Kyrgyzstan, union of house builders, and others were consequences of independent processes of democratisation in the society. Already existing noncommercial organisations started changing the nature of their activities. An objective need for legislative regulation of public relations arising from creation and operation of public organisations emerged.<sup>2</sup>

Analysis of changes that occurred in legislative regulation of noncommercial organisations should begin with examining the status of noncommercial organisations stipulated in the Basic Law of the country, the Constitution of the Kyrgyz Republic.

Despite the fact that Constitution adopted on 5 May 1993 has been modified four times since its adoption, constitutional regulation of nongovernmental sector has practically remained unchanged.

Article 8 of the Constitution stipulates one of the fundamental principles of creation and operation of noncommercial organisations, the principle of free participation, which was developed in all subsequent normative acts regulating the activities of public organisations.

Pursuant to Article 16 of the Constitution every person has the right to assembly. Citizens are entitled to establish public associations of their own free will and common interests. The state should guarantee protection of rights and legal interests of public associations.

The constitutional right of citizens to assembly is the basis of the legal status of noncommercial organisations.<sup>3</sup> Yet the right to assembly can not be limited by the right to create registered public associations. The scope of the right is much broader: it also includes the right to assembly without granting the organisational rights of a legal entity.

1

<sup>&</sup>lt;sup>1</sup> U.Chinaliev, Specifics of Civil Society Formation in the Kyrgyz Republic (Moscow: 2001), at 44-45

<sup>&</sup>lt;sup>2</sup> N.A.Idrisova, U.Yu.Pak (eds), *Non-For-Profit Law* (textbook) (Bishkek: Demi, 2006), at 28

<sup>&</sup>lt;sup>3</sup> *Ibid.* at.33

Free existence of citizens in society depends on their degree of organisation. Acting on behalf of any public association citizens acquire possibilities to use various forms of joint organised public activity to protect their interests, as well as the chance to consolidate their efforts to achieve their objectives.<sup>4</sup>

As a member of a public association, a citizen has all rights and performs all duties stipulated in the Charter, namely, the right to participate in dealing with the issues in the association's mandate, to elect and be elected for managing bodies of the organisation, and so on. A citizen can be a member of several public associations.

All associations of citizens are equal before the Law according to Article 16.3 of the Constitution. Creation and activities of public associations and other organisations that disrupt public order, state and national security are prohibited (Article 8.4 of the Constitution). Article 259 of the *Criminal Code* of the Kyrgyz Republic sets forth punishment for creation of public associations that encroach on the personality and rights of citizens.

Associations of citizens are also prohibited to create militarised groups. Creation of secret associations is not allowed. Pursuant to Article 21 of the Constitution associations of citizens are allowed to undertake any actions and activities not prohibited and limited by the Constitution and Laws of the Kyrgyz Republic.

The rights to assembly, creation of unions and association are granted in almost all existing European constitutions: some of them grant such rights only to their "own" citizens or nationals (such as Austria, Belgium, Bulgaria, Germany, Greece, Denmark, Italy, Kazakhstan, Lithuania, Luxembourg, Macedonia, Moldova, Monaco, Portugal, Romania, Ukraine, Croatia, Sweden); others grant the right to every persons present in the territory of a country.

According to the Constitution the right to assembly belongs only to citizens of the Kyrgyz Republic. Thus, the range of participants in the nongovernmental sector has been narrowed down, with "non-citizens" remaining outside. Consequently, foreign citizens and stateless persons legally residing in the Kyrgyz Republic do not have the right to establish public associations.

There is no doubt that such legislative provisions are discriminatory. For instance, significant numbers of enterprises where foreign citizens work are registered in the Kyrgyz Republic. Today they are in fact deprived of legal protection of their rights. In practice the situation is resolved the following way: trade unions are created on the initiative of the citizens of the Kyrgyz Republic, but foreign citizens can become members of such trade unions. Such practice is based on the Law of *On the Legal Status of Foreign Citizens* according to which foreign citizens permanently residing in the Kyrgyz Republic have the right to join public associations that do not pursue political goals on an equal footing with citizens of the Kyrgyz Republic.

Unfortunately there are cases of erroneous use of the word "citizen" in our legislation, in particular when the Law speaks about citizens and non-citizens of the Kyrgyz Republic.

<sup>5</sup> A specific of the Constitution of Iceland is in granting such a right to "the people" (i.e. to citizens, following the meaning of Article 74 and other articles).

<sup>&</sup>lt;sup>4</sup> S.S.Soodanbekov, M.K.Ukushev, *Constitutional Law of the Kyrgyz Republic (General and Special Parts)* (Bishkek: 2001), at 210

<sup>&</sup>lt;sup>6</sup> D.A.Kovachev (ed.) *Constitutional Law of European Countries*, textbook for students of legal higher education institutions and law faculties (Moscow: Walters Kluwer, 2005).

Today the fundamental right of citizens to freedom of association is regulated. However, alongside determination of the status of noncommercial organisations in the Constitution, the process of its fixation in the legislative acts has been taking place.

New legislation regulating the legal status of noncommercial organisations was developed in 1990 with adoption of the Law of the USSR *On Public Associations*. As early as 1 February 1991, Kyrgyzstan adopted its own Law *On Public Associations* based on the Soviet act and largely reproducing its provisions.

In general the legislation of that period was characterised by its relative stability. For instance, the Law of the Kyrgyz Republic *On Public Associations* existed for almost nine years. During this period the Law was changed twice. The first change related to registration procedures for public associations caused by a general movement to a new system of registration of legal entities. Naturally, the non-government sector was also subject to changes. Other modifications related to exclusion of political parties from the Law under consideration.

According to the above Law a public association was characterised by the following features:

- Participation of citizens of Kyrgyzstan;
- Its voluntary nature;
- Commonality of interests, goals and principles for activities as a basis for association.

At that time any associations of citizens, including mass movements, professional unions, women's organisations, veterinary organisations, organisations of disabled people, youth and children, scientific, technical, cultural and educational, physical, sports and other voluntary societies, creative unions, friendly associations, foundations, associations and political parties were recognised as public associations. Political parties were excluded from the scope of Law in 1999 due to adoption of a special Law *On Political Parties*.

The goals for creation and activity of public associations were broadly formulated and limited only by criminal records. The blurred boundaries of the legal regulation could have led to various abuses, including profit-making goals in the Charters of organisations. Yet because noncommercial organisations had the right to engage in production and economic activity and distribute profit pursuant to Charter goals, the distinction between commercial and noncommercial was blurred.

The Law stipulated basic principles for creation and operation of public associations that were developed in subsequent legislation. For instance, the Law established that public associations are created and act on a voluntary basis, with equality of its members, self-government, legality and glasnost.

Developing the constitutional provision the Law limits foreign citizens and stateless persons in their membership of public associations. Such membership was allowed only in cases specially provided for in the Charters of organisations, except for political parties. For the latter the prohibition was absolute.

Pursuant to the Law public associations could operate as legal entities. The process of legalisation implied registration of Charters of organisations with the Ministry of Justice. Unjustifiably long terms of registration of two months existed at that time. This undoubtedly created excessive administrative barriers in establishing noncommercial organisations.

The procedure of filing an appeal against decisions of justice bodies regarding registration or suspension of the activities of noncommercial organisations also confirms the problems. The Law appoints the Supreme Court of the Kyrgyz Republic as the body responsible for considering complaints. Because of this, complainants from cities other than the capital face numerous difficulties (such as territorial remoteness, transportation expenses, and so on) that in fact deprive them of the constitutional right to protection in courts.

Noncommercial organisations are obliged to observe employment legislation. Their operations are also subject to tax legislation. It is noteworthy that membership fees and donations are not subject to income tax.

Control and supervision of the activities of public associations is another important issue. Apart from regular oversight of observation of Charter provisions of public associations, justice bodies had the rights to demand submission of decisions made by heads of public associations, to send their representatives to participate in events conducted by public associations, and to receive explanations from members of public associations and other citizens regarding whether Charters were being observed.

Later these provisions were developed in the Ministry procedure on organising and oversight over compliance of the public associations' activities with their Charter goals approved by the Ministry of Justice. Pursuant to this document, Ministry findings upon conclusion of inspection could lead to the following:

- Written warnings;
- Suspension of operations of public associations for 1 up to 6 months;
- Compulsory liquidation.

Provisions prohibiting use of any mass media, organisation of mass events and so on in the case of suspension of a public association's activities are quite harsh as in this case constitutional human rights are violated.

# 4.2 The Current Legal Regulatory Environment of Nongovernmental Sector: Basic Constants and New Paradigms

The 1999 Law *On Noncommercial Organisations* that replaced the Law *On Public Associations*, as well as the First Part of the *Civil Code* overcame the negative tendencies of the first normative acts. The key innovations of these documents and implementing legislation included, *inter alia*, the following:

- 1. Features of noncommercial legal entities distinguishing the latter from commercial entities were defined, notably:
  - Profit-making is not the major goal of a noncommercial legal entity;
  - Profit made in cases established by Law is not subject to distribution among participants of an organisation.

A noncommercial legal entity can engage into business activity only if such activity serves the goals for which the organisation has been created and provided the activity is consistent with these goals.

2. Goals of establishment and activities of noncommercial organisations were defined. In accordance with these goals organisations can be categorised as mutual benefit organisations or public benefit organisations. Such a distinction depends on whether the interests of members

and/or society at large are paramount, i.e. in whose interests moral or any other intangible needs are being achieved.

- 3. The role of independent legal entities is conditioned by a need for material support for their major activity. Compared with commercial organisations, noncommercial organisations have special legal standing and use their property to achieve the goals stipulated in constituent documents. Profit-making and distribution of profits among participants cannot be the goal of an organisation. Given these circumstances the legislation does not stipulate the minimum size of charter capital for such organisations. There are no provisions on bankruptcy of such organisations, except for cooperatives and foundations.
- 4. The right to establish noncommercial organisations is distinguished from citizenship of the Kyrgyz Republic. Individuals having legal standing can act as founders of noncommercial organisations regardless of the place of registration of legal entities and place of domicile or citizenship of individuals.
- 5. Registration of noncommercial organisations was streamlined. The time frame for legal review of constituent documents of an organisation and making a decision on registration was significantly reduced, from 2 months down to 10 days. The state registration fee was abolished.
- 6. The legislation allows creation of noncommercial organisations without establishment of a legal entity.

According to the legislation some types of public associations can operate without establishment of a legal entity, notably some bodies of territorial public self-government (TPSG) (Article 48 of the Law of the Kyrgyz Republic *On Local Self-Government and Local State Administration*<sup>7</sup>). TPSG bodies are voluntary associations of citizens living in a given territory, whose activity is aimed at solving issues of local importance. These include councils and committees of microdistricts, housing complexes, houses committees, street committees, district committees and other bodies established by inhabitants of an area working with local conditions and traditions.

It should be noted that state registration of organisations improved the legal standing of these civil society bodies. Public associations registered as legal entities were granted additional rights to achieve their charter goals and protect the common interests of citizens participating in their activity.<sup>8</sup>

- 7. The principle of non-interference of state bodies or officials in the activity of noncommercial organisations was stipulated.
- 8. Major organisational and legal forms of noncommercial organisations were envisaged, notably:
  - Cooperatives;
  - Public or religious associations;
  - Institutions;
  - Public funds;
  - Associations of legal entities (associations and unions).

<sup>&</sup>lt;sup>7</sup> It should be noted that pursuant to the Regulation on Bodies of Territorial Public Self-Government approved by Resolution of the Government of the Kyrgyz Republic of 10 October 2001, #625 TPSGs can act without acquiring the status of legal entity after they are registered in the local Kenesh. They can also acquire legal entity status according to the established procedure.

<sup>&</sup>lt;sup>8</sup> T.E.Melnikov," New Registration Procedure for Public Associations", "Advokat journal, 2002, Issue 11.

# 4.3 Peculiarities of Organisational and Legal Forms of Noncommercial Organisations at the Modern Stage

Upon adoption of fundamental, major legal acts regulating NGO activity the next stage of legislation development was further refinement and development of their provisions in sub-legal acts, as well as adoption of specialised documents on specific organisational and legal forms.

Compared with commercial organisations, the specifics of legal regulation of noncommercial organisations is an open list of their organisational and legal forms. Whereas commercial organisations can be created only in those forms established by the *Civil Code*, the situation with noncommercial organisations is different. In the previous section we defined five major organisational and legal forms of noncommercial organisations envisaged in the major legislative acts. However pursuant to Article 85 of the *Civil Code* legal entities that are noncommercial organisations may also be established in other forms stipulated by Law.

In reality this led to the development of a large number of specialised laws that sometimes unjustifiably introduced new forms of noncommercial organisations into civil transactions.

Today organisational and legal forms of NGOs include:

- 1. Public association;
- 2. Institution;
- 3. Foundation;
- 4. Association of legal entities (associations and unions);
- 5. Noncommercial cooperative;
- 6. Religious organisation;
- 7. House owners' partnership;
- 8. Stock exchange;
- 9. Political party;
- 10. Credit union
- 11. Association of water users;
- 12. Zhamaat (community organisation);
- 13. Trade union;
- 14. Association of employers.

The choice of organisational and legal form depends to a large extent on the goals of the founders of an NGO.

A Public Association is a voluntary association of citizens who have united on the basis of common interests to meet their intangible needs. A public association is a membership-based organisation. The highest governing body is a General Meeting of members. The scope of activity of public associations is very broad: it could be, for example, protection of the environment, social support of disabled people, educational development, solving territorial issues (community-based organisations), or promotion of culture and arts. (*Civil Code* of the Kyrgyz Republic of 8 May 2006, #15; Law of the Kyrgyz Republic *On Commercial Organisations* of 15 October 1999, #111).

An **Institution** is an organisation established by an owner for performing managing, social and cultural, educational or other functions of a noncommercial nature. The organisation is partially or fully funded by the owner. Hospitals, clinics, kindergartens, schools, universities, museums and so on may be established in the form of institutions provided these organisations are established as noncommercial (*Civil Code* of the Kyrgyz Republic of 8 May 2006, #15; Law of the Kyrgyz Republic *On Commercial Organisations* of 15 October 1999, #111).

A **Foundation** is a membership-free organisation, established by individuals and/or legal entities on the basis of voluntary contributions. The organisation pursues social, charitable, cultural, educational or other public benefit goals. The foundation can be established in the will of a person. (*Civil Code* of the Kyrgyz Republic of 8 May 2006, #15; Law of the Kyrgyz Republic *On Commercial Organisations* of 15 October 1999, #111).

An **Association of legal entities (associations and unions)** is an organisation established for the purpose of coordination of the activities of member organisations, as well as to represent and protect common interests. The only case when noncommercial organisations are prohibited from engaging in business activities is in the form of an association of legal entities. If participants of the Association make a decision to engage into business activity, it shall be subject to transformation into an economic entity or partnership: its organisational and legal form becomes commercial (*Civil Code* of the Kyrgyz Republic of 8 May 2006, #15).

A Cooperative is a voluntary association of individuals and legal entities on a membership basis in order to satisfy economic and other needs. For this purpose agricultural, summer cottage, garage and housing cooperatives are created (Law of the Kyrgyz Republic *On Cooperatives* of 11 June 2004, #70).

**Religious organisations** are established by citizens in order to satisfy the religious needs of citizens in confession and dissemination thereof. Religious organisations in Kyrgyzstan are Islamic, Christian and other religious societies, divisions and centres, and spiritual educational institutions (Law of the Kyrgyz Republic *On Freedom of Confession and Religious Organisations* of 16 December 1991, #656-XII)

A **Partnership of House Owners is** a form of association of house owners. It is a noncommercial organisation established for joint management and ensuring exploitation of a complex of real estate in a multi-flat building, as well as for ownership and use of common property and disposal thereof within the boundaries established by the legislation (Law of the Kyrgyz Republic On *Partnership of House Owners* of 28 October 1997, #77).

A **Stock Exchange** is an organiser of trade in a securities market. The stock exchange can engage in depository and clearing activity (Law of the Kyrgyz Republic *On Securities Market* of 21 July 1998, #95).

**Political parties** are voluntary associations of citizens of the Kyrgyz Republic who have common political goals and objectives promoting the political will of a specific part of the population and who take part in governing the affairs of the state through their representatives (Law of the Kyrgyz Republic *On Political Parties* of 12 June 1999, #50).

A **Credit Union** is a noncommercial financial and credit organisation established to provide assistance to its members by merging personal savings of members and using them for mutual crediting at acceptable interest rates, as well as for providing financial services. A specific of credit unions is their right to distribute dividends among members (Law of the Kyrgyz Republic *On Credit Unions* of 28 October 1999, #117).

An **Association of Water Users** is a noncommercial organisation acting in the public interest for the purpose of exploitation and maintenance of specific irrigation systems, for ensuring irrigation water for owners and users of agricultural land (Law of the Kyrgyz Republic *On Associations of Water Users* of 15 March 2002, #38).

A **Zhamaat (community-based organisation)** is a form of organisation of local self-government that represents a voluntary association of members of local communities residing in the territory of one street or other territorial formation of a village or city for joint solution of problems of local importance under their responsibility (Law of the Kyrgyz Republic *On Zhamaat (Communities) and Associations Thereof* of 21 February 2005, #36).

A **Trade Union** is a voluntary public association of citizens based on common professional interests in production and non-production areas, established for protection of the labour, social and economic rights and interests of its members. (Law of the Kyrgyz Republic *On Trade Unions* of 16 October 1998, #130).

An **Association of employers** is a form of noncommercial organisation based on membership of employers (legal entities and/or individuals) established for the purpose of representation of legal interests and protection of rights of its members in the area of social and labour relations and related economic relations with trade unions, associations of trade unions, state bodies, and local self-government bodies (Law of the Kyrgyz Republic *On Associations of Employers* of 22 May 2004, #66).

Given the review above the list of organisational and legal forms of noncommercial organisations has been significantly expanded due to numerous special Laws. It should be noted that there is a potential danger in such an approach from the legislature: not all new types of legal entities can be deemed as independent organisational and legal forms.

According to experts it is not specific legal forms or structure of legal subjects, but rather specifics of area of activity that are taken as bases for legal regulation.

The Law *On Patronage and Charitable Activity* consolidates different types of noncommercial organisations, such as foundations, public organisations (associations) and institutions only on the ground that these organisations engage in charitable activity. The Law o *On Micro-financing Organisations* refers to any organisational and legal form of noncommercial organisations with microfinance activities, and excludes political parties, trade unions, or religious organisations that are engaged into microcredit for individuals and legal entities. Many analysts consider the legislature's approach ineffective.

The following example is also characteristic of the modern legal environment: the Law of the Kyrgyz Republic *On Securities Markets* stipulates the establishment of stock exchanges in the form of noncommercial organisations, yet the Law does not contain a provision indicating that a stock exchange is an independent organisational and legal form of legal entity. To solve this issue it is necessary to determine whether there are specific features of a legal entity in a stock exchange.

As is known, the organisational and legal form of a legal entity is an aggregate of features that distinguish the given legal entity from other entities. Thus, if we can state that stock exchange is distinguished from other legal entities by such features as:

- Organisational structure, or
- How property is divided, or
- Responsibility, or

- Methods of participation in civil transactions.

<sup>&</sup>lt;sup>9</sup> For instance as is directly stipulated in the Law of the Kyrgyz Republic On Credit Unions of 28 October 1999 #117. Article 1 of the Law defines the legal status of a credit union as a noncommercial financial and credit organisation. It also states that a credit union is an independent organisational and the legal form of a legal entity.

then the conclusion can be drawn that the stock exchange is an independent organisational and legal form of noncommercial organisation. Yet if we fail to distinguish the specifics of the organisation, we will have to agree that the stock exchange is just one type of organisation in a known organisational and legal form, and that the legislature singled it out due to the specific area of activity of a stock exchange.

Detailed analysis of the legislation leads to the conclusion that the legislature was extremely laconic when describing the system of governing bodies, ways of formation of its property and rights of founders, the obligations of a stock exchange, the peculiarities of termination of its activity and so on. Given this, it is quite difficult to define the status of a stock exchange. This leads to the situation where the majority of issues raised are subject to inclusion in constituent documents by the founders of a stock exchange.

# 4.4 Peculiarity of Legal Regulation of Establishment and Activities of Charitable Organisations

The Law *On Patronage and Charitable Activity* adopted on 6 November 1999 directly concerns the subject matter of the research study. Pursuant to Article 27.3 of the *Constitution* charity is considered one of the means of improvement of social welfare of citizens.

According to the Law charitable activity means voluntary activity of citizens and legal entities of charitable (free or preferential) transfer of property to citizens and legal entities, including funds, unselfish works, services and other support.

The following conclusions regarding charitable activity can be made through analysis of the Law under consideration:

- any person has a right to perform charitable activity without any interference;
- any person has a right to engage in charity activity directly and through charitable organisations;
- any person has a right to engage in charity activity both individually and collectively;
- goals of charitable activity and forms of its implementation cannot be restricted.

A charitable organisation is not an independent organisational and legal form. Charitable organisations can be established in the forms of public organisations, foundations, institutions and in other forms.

Charitable organisations are distinguished by the following features:

- 1. they are noncommercial organisations;
- 2. the goal of their creation is charitable activity;
- 3. charitable activity can be implemented in the interest of the general public and of certain categories of persons.

Having analysed the above provisions, it is difficult to identify the distinction between a charitable organisation and other noncommercial organisations. The Law does not stipulate specifics of the status of charitable organisations required for application of special provisions, in particular, tax benefits (Article 11). Granting benefits according to charitable activity is almost impossible as today almost all noncommercial organisations can be called charitable.

The Law allows charity organisations to engage in business activity only for achieving their goals, provided the business activity is consistent with these goals. Charitable organisations have the right to

act as sole founders of economic entities, namely Limited Liability Companies, Additional Liability Companies, and Joint Stock Companies.

In accordance with constitutional provisions that express the position of the state toward charitable activity in the Kyrgyz Republic, charity is encouraged (Article 27.3 of the Constitution).

This provision *per se* begets the obligation of a state to ensure charity development, and to undertake organisational, legal and financial measures to encourage citizens to take part in creating and running charitable organisations. Creation of a favourable legal environment for charity development can allow it to supplement efforts of the state to create reasonable living standards for socially vulnerable citizens of the country.

Along with this, the legislation does not stipulate serious benefits for charitable activity that would encourage its development. Pursuant to Article 112.3 of the *Tax Code*, organisations transferring any asset to a charitable organisation shall be granted tax preferences in the form of reductions in the amount of aggregate annual income. In order to enjoy this preference, an organisation would need to submit a copy of the certificate issued by the State Tax Inspection on the right to tax preferences as proof that the organisation that received help is charitable.

Apart from this the legislation stipulates specific restrictions on disposal of property of a charitable foundation. According to Article 9 of the Law a charitable organisation does not have the right to use over 2% of total expenses in a financial year for payment of salaries of administrative and managerial personnel. No less than 98% of the funds must be used for charitable goals within a year of the date of receiving a donation by the charitable organisation.

Practical application of this provision shows that the 2% limit is not realistic, and on the contrary contributes to various types of abuse.

Alongside this, the legislation does not provide for special responsibility of charitable organisations for violation of expenses limits. In this case they can be only subject to coercive liquidation on the decision of a court on the ground of carrying out activity in violation of legislation.

#### **Defects of Departmental Regulation**

Contemporary legislation is characterised by active departmental legislative drafting in the area of nongovernmental sector regulation. We see both positive and negative sides in this. Positive aspects are in detailed development of general provisions of the Laws, giving practical content thereto, and introduction of implementation mechanisms of legislative provisions.

For instance the Ministry of Justice approved special implementing laws on state registration Regulation on Registration Procedure of Legal Entities, Branches and Representative Office by Bodies of the Ministry of Justice of the Kyrgyz Republic.

The given Regulation establishes that in order to acquire rights of a legal entity, noncommercial organisations, as well as other legal entities are subject to state registration procedures in justice bodies. Only on state registration, as of the date of corresponding entry into the State Register of Legal Entities, they shall acquire rights and legal standing of legal entities. The Regulation also establishes the procedure and time frame for state registration, and powers of justice bodies, lists documents and their contents required for registration and many other issues important in practice.

Along with this there are examples of abuse of the right to approve internal regulations: when officials try to replace the existing provisions of the Law or introduce new rules not stipulated in the legislation through adopting internal regulations.

An illustrative example of such an abuse is the Order of the Ministry of Justice of the Kyrgyz Republic *On Measures for Improvement and Streamlining of State Registration (Re-Registration) System of Specific Types of Legal Entities and Mass Media by the Ministry of Justice of the Kyrgyz Republic of 31 October 2003, #167.* 

Using the good intentions of further improvement and streamlining of the state registration system of legal entities and mass media as a cover, the Order establishes that decisions on registration (re-registration) of religious organisations, public organisations, foundations, political parties, certain types of legal entities whose activities relate to establishment of mass media and printing, as well as of mass media shall be made by the Minister of Justice on decisions of its Panel at the Ministry of Justice.

This initiative of the Ministry caused an immediate response from representatives of civil society. In actual fact a special registration procedure was established and the existing provisions were made more complicated. The issue of repeal of the Order of the Ministry of Justice for containing anti-constitutional provisions was heard at a Parliamentary session in February 2004.

However despite statements that the Order limits freedoms of speech and press, contradicts the Constitution and violates Laws *On Mass Media* and *On State Registration of Legal Entities*, the Ministry of Justice did nothing more than give an official commentary that no violations had been made.

Undoubtedly there has long been a need for radical change of the registration system. Certain changes on this issue, such as reduction of registration terms and abolishment of registration fees do not change the general problems of legal entities' registration. In order to reduce temporal and financial costs of registration there is a need to change the registration (re-registration, deregistration) procedure *per se*, and to implement a one-stop-shop principle of registration. One-stop-shop registration of legal entities should be of declaratory nature. Apart from state registration it should also include registration with statistics, tax and social insurance bodies.

# 4.5 Tendencies and Perspectives of Legislation Development on Noncommercial Organisations

As an example of one of the most interesting areas in NGO legislation development, let us consider the draft Law *On State Social Security* approved by the Government on 8 September 2006. The given draft Law is aimed at developing civil society institutions in the Kyrgyz Republic, increasing the efficiency of use of the state budget for solving social and economic problems of society, and involving noncommercial organisations in solving these problems.

Experience from many foreign countries shows that creation of a social sector budget in the form of a complex of targeted social programmes is economically efficient as it ensures implementation of social security at less expense and attracts funds from the commercial sector domestically and from abroad.

In this regard social security is one of the forms of interaction of the state with the civil initiative. According to some sources this form of interaction is widespread throughout the world: for instance, in the United States up to one third of all funds invested by the state in the social sector

is spent through noncommercial organisations; in Germany this indicator comprises up to 70% and in France - up to 80%.

The major principle of allocation of funds spent for solving social problems is tenders for state social security, where the winner is the one that can ensure the best conditions for implementing activities of the social programme. The given mechanisms will allow increasing the level of competition among organisations in implementing targeted social programmes. It will also ensure transparency in spending of funds for social needs, and finally increasing the economic efficiency of social investing. A mandatory condition of such tenders should be involvement of additional extra-budgetary investment by bidders.

Ensuring support of civil society actors, the state social security does not only imply personal preferences/benefits granted to noncommercial organisations, but also state support of target programmes aimed at solving the most pressing social problems. Such support is conditioned by mandatory signing of contracts to strictly regulate targeted and expedient spending of budget and stipulate state control at all stages of implementation of state social security.

This possibility to tackle large numbers of social problems will create an additional factor for stabilisation of the situation in society. Assistance of the state in implementing civil activities by noncommercial organisations will create the basis for the formation of a social partnership framework between the state, business and noncommercial sectors in Kyrgyzstan.

### Chapter 5. Specifics of Kyrgyz NGO Sector Development Today

## 5.1 Today's Context of NGO Development in Kyrgyzstan <sup>1</sup>

During the last year and a half important political changes have taken place in Kyrgyzstan. On 24 March 2005 as a result of popular unrest opposition forces came to power headed by Kurmanbek Bakiev, who became the new President of the Kyrgyz Republic in July 2005 after early Presidential elections. The 24 March events were the result of many years of violations of human rights and fundamentals of democracy, and corruption.

Despite statements from the new leadership of the country the past year has not been a time of stabilisation and reforms that brought significant changes in the country. At present the main feature of Kyrgyzstan is protracted political, social and economic crisis that has its roots in the past.

The social and economic environment creates serious complications for civil society development. Whereas in 2003-2004 a significant growth and increase of the volume of investments important for further development of the economy and poverty alleviation were observed, the unstable situation today restricts new investments and causes a risk of capital outflow. According to experts the task of ensuring GDP growth in 2006 by no less than 8% is almost impossible. The unwillingness of foreign investors to work in unstable conditions suggests that a more realistic forecast for the economy would be stagnation and decline in the living standards of the population. Pursuant to the data of the Ministry of Economy and Finance foreign debt of the Kyrgyz Republic as of 28 February 2006 amounted to US\$1,851,400,000. In 2005 foreign debt amounted to 77.6% of GDP, whereas foreign debt servicing equalled 12.3% of total budget revenues. The situation with foreign debt seriously undermines the ability of the state to ensure the funding of social obligations, decreases possibilities for poverty reduction and leads to a slowing down of economic growth. In this regard the Government of the Kyrgyz Republic is considering the possibility to join the HIPC Program, and then the multilateral debt relief initiative (MDRI). Many representatives of NGOs criticise the HIPC initiative as there are doubts about the economic efficiency of HIPC implementation, the loss of a favourable international image of the country and the issue of foreign economic and political dependency.

All social and political challenges of the past years have showed that efforts of the state to discredit or damage human rights and value have always faced insistent and organised rejection from civil society. In general, the political environment of Kyrgyzstan needs significant improvement. The worldwide fight against terrorism and religious extremism, which includes our country, brings potential threats to guarantees of civil liberties. During the last two years the state has undertaken attempts to restrict the activity of public organisations under the veil of the struggle against religious extremism and threats to national security. In particular, in January 2006 Minister of Justice Kayipov declared the intent of the Ministry to inspect all existing NGOs funded from abroad. Then in March 2006 Ombudsman Tursunbai Bakir uulu suggested the prohibition of creation and operation of foreign NGOs, including representative offices and branches thereof, as well as NGOs funded by foreign states, foreign political parties, legal entities and individuals of foreign countries. The Ombudsman believes that such organisations "pursue political goals and through their activities disrupt the constitutional order, state and national security". Consolidation of efforts and immediate response by civil society agencies led to the collection of over 150 signatures, appeal to the highest leadership of the country and condemnation of the proposals of the Minister of Justice and Ombudsman. The statements about the inspection of NGOs were made against the background of several reports on persecution of

<sup>&</sup>lt;sup>1</sup> The present Section was written by N.Satarov and E.Ubysheva.

civil activists. For instance, criminal charges were brought against Maxim Kuleshov, leader of the human rights group "Peace is a Light of Culture". According to him the criminal charges were brought by the authorities because of his struggle against torture by law enforcement bodies.

On 12 April 2006, Edil Baisalov, leader of the Coalition For Democracy and Civil Society was assaulted. The assault is considered by many to have been connected to Baisalov's open statement and organisation of a "Peaceful Procession of Citizens for Law and Order" shortly before.

Recently many "ordered" articles have appeared in several mass media and Internet sites. These articles discredit the activities of NGOs, representing them as the "fifth pillar" of the West.

Expectations for ensuring constitutional right of citizens to information related to the March events. Since independence, state television has always been under control of the authorities. All other mass media encounter obstacles in exercising their freedom of expression and information dissemination. Moreover, during the last year and a half the situation has become worse. This is proved by cases of illegitimate taking control of KOORT TV Company and similar attempts against TV and radio company Pyramida in 2005.<sup>2</sup> In 2006 a number of journalists and mass media outlets received warnings from the Prosecution Service for dissemination of unreliable data of a libelous nature about Kurmanbek Bakiev, offending his honour and dignity and undermining his reputation. The statement of the prosecution officer was sharply criticised by the public. Representatives of civil society and members of the Jogorku Kenesh brought forward an initiative to create public TV in the place of the National TV & Radio Company for the purpose of timely, comprehensive, and most importantly objective coverage of current events in the areas of domestic and foreign policy and other areas of public interest. Public TV should ensure constitutional rights of citizens to information, freedom of thought and speech by open discussion of issues important for the public. As of yet citizens of Kyrgyzstan do not have possibilities to receive accurate and objective information about the events in their own country and abroad from local mass media outlets.

By the end of 2005 the level of criminality due to redistribution of property sharply increased. This situation caused concerns among representatives of civil society. On 8 April over two thousand citizens joined the "Peaceful Procession of Citizens for Law and Order". The marchers called for the authorities to start a real fight against corruption as power is attractive for criminal elements primarily because of its possibilities, and because power has always been characterised by its distance from society, lack of control, non-accountability and permissiveness.

After the March events many state, political and public figures spoke of the need for constitutional reform. On 25 April this year the Jogorku Kenesh issued a Resolution *On Establishment of a Constitutional Council and Constitutional Reform in the Kyrgyz Republic* (#181-111). The Resolution stipulates the following goals of constitutional reform: prevention of authoritarian power, elimination of corruption and other negative phenomena in the highest bodies in the country, creation of an efficient, truly democratic and legal state and clear division of powers. In general, it should be noted that the Constitutional Council became a field for political struggle, and not a real tool for qualitative improvement of the Basic Law of Kyrgyzstan. In autumn 2005 a number of NGOs organised discussions of the draft proposals of the Council among nongovernmental organisations and the population of the country and analysed proposals of citizens collected during the discussions. When the introduction of

-

<sup>&</sup>lt;sup>2</sup> A.Knyazev "Will Public TV Ensure Pluralism of Opinions" at <a href="http://www.open.kg/ru/analitika/open\_xpress\_analysis">http://www.open.kg/ru/analitika/open\_xpress\_analysis</a>

changes to the Constitution was delayed by the President for an uncertain period of time, civil society and active political leaders started demanding reforms.

The second half of 2005 and first half of 2006 can be characterised as a period of formation of opposition to the new leadership of the country. A significant part of the opposition is made up of members of the Parliament who uses sharp anti-presidential rhetoric. Opposition forces including a number of leaders of political parties, MPs and leaders of NGOs united in the For Reforms! movement. The unwillingness of the President to establish constructive dialogue with the opposition, including on the issue of constitutional reforms, was a catalyst that led people to the November rally. The For Reforms! movement brought forward a number of constructive demands, such as constitutional reform, reform of the public administration system and a fight against corruption. Some demanded resignation of the President and officials and creation of a Government of "the People's Trust" with participation of leaders of the opposition, which indicates that certain opposition figures had personal interests in the process.

After a week long For Reforms! rally, on 9 November 2006 President Kurmanbek Bakiev signed new wording of the Constitution. According to political scientists the compromise achieved played a positive role in preventing escalation of internal confrontation in the country. Despite the fact that no change to a Parliamentary Republic occurred, the first steps in this direction have been made. The consensus achieved with the Parliament and retention of the majority of powers of the President in the new Constitution gives the President a possibility to start carrying out deep and systematic reforms in the country. It is now that the Parliament becomes a political body again that will "breathe life" into the new Constitution.

In spite of current difficulties the experts believe that the society of Kyrgyzstan has made a significant step forward. The major positive result is the fact that the society does not want to put up with permiseveness of the authorities and growing corruption. This was confirmed by active resistance by civil society to mechanical attempts of the new authorities to impact on it through authoritarian methods. Another positive consequence is that the basics of political pluralism are emerging in the society. It is no less important that clan solidarity continuously gives way to the growing demands of society for a new, well-educated and moral elite that is able to stand up for national interests.<sup>3</sup>

During the last 15 years Kyrgyzstan's development has been characterised by self-determination of public, business and nongovernmental sectors. Development of these sectors looked like the building of isolated castles. However recent events have showed that the period of building bridges has come. Due to increase of information flows and variety of public interest it is getting more difficult to take responsible decisions that have an impact on large groups of citizens. In recent years the authorities have been convinced that decisions on the most important issues encounter obstacles due to practices of decision making "in corridors" and lack of efficient feedback mechanisms with the general public. Reforming the country from top to bottom seems impossible. However the authorities are strongly tempted to take this route. There is a need to expand the spectrum of possible forms and channels of dialogue between society and the state, to create efficient mechanisms of public influence on decision making by state bodies and local self-government bodies. It is necessary to develop social dialogue at early stages of policymaking, open access to information from state institutions and the Parliament, expansion of representation of civil society in the supervisory bodies of the executive and involvement of NGOs in providing social services.

"Resources for normal democratic relations between society and the authorities are only starting to develop. In this regard there are potential perspectives. If we root for our country, our future, we have to develop these resources. What, in our opinion, civil society can do is to

\_

<sup>&</sup>lt;sup>3</sup> N.Omarov, "The Year of Big Expectations, Ordeals and Disappointments", March 23, 2006, at www.apn.kz

demonstrate its civil position through taking primary responsibility for the events taking place in the country, for its work, for ourselves and our friends and families".

Alexandr Tretyakov, Institute of Humanitarian Modeling

Today the prospects of democracy in Kyrgyzstan are not secure. As a rule, reforms start due to crises that serve as stimuli for changing the situation. At a new stage of state development, it is civil society in the form of the expert community, NGOs and political parties that have to lead the process of revival of the country and that have to take responsibility for the formation and implementation of strategic priorities of the country's development. A democratic regime needs a solid foundation made up of realised rights and mutual obligations of citizens and the state to become the basis of its long-term operation.

## 5.2 Achievements and Capacity of the NGO Sector under Current Conditions<sup>4</sup>

During the last 10 years the noncommercial sector in Kyrgyzstan took the path from single manifestations of civil initiative up to visible and rapidly growing public phenomena with strong potential. According to the data of the Ministry of Justice as of 1 April 2006 there were over 8000 noncommercial, nongovernmental (non-public and non-municipal) organisations (NGOs).

Kyrgyzstan's NGOs have started playing a role in the country as important as that of NGOs in economically developed countries with sustainable democracy. NGOs in Kyrgyzstan perform two important functions: firstly, they form a responsible civil society and secondly they provide a wide spectrum of social services. Many NGOs provide social services and help to vulnerable groups of the population, tackle ecological issues and protect the rights and interests of citizens, and have authority both with the population and state bodies. According to the Moods of the Country study conducted in October 2006 by the International Republican Institute, 65% of the population have a positive attitude to NGOs, which is 6% higher than in March of the same year.<sup>5</sup>

Efforts of civil society to promote ideas of democracy, transparency and tolerance in society and state bodies are significant and represent a strong side of the nongovernmental organisations of Kyrgyzstan. Public organisations in Kyrgyzstan are successfully introducing and promoting human rights values in society. In the majority of the regions NGOs can freely use their right to criticise the local authorities and the Government by appealing to electronic and traditional mass media outlets and international organisations.

"I believe that we have managed to stand up for democratic values such as freedom of speech, freedom of confession, right to assembly and rallies mainly due to the efforts of civil society, Democratic procedures such as parliamentary and public hearings, and wide discussion of draft laws through people's initiative have become established in our country to a large extent due to continuous work of activists and leaders of civil society".

Elnura Osmonalieva, "Union of Students of Kyrgyzstan" Public Association

According to the experts, a specific of Kyrgyz NGOs is their striving to preserve and develop democratic values through monitoring whether the authorities are following democratic rules. Together with mass media outlets and political parties, the NGOs of Kyrgyzstan are a specific foundation for limiting the state power. Human rights organisations of Kyrgyzstan entered the world arena by carrying out monitoring of state and international obligations and securing

4

<sup>&</sup>lt;sup>4</sup> The present Section was developed by N.Satarov and E.Ubysheva.

<sup>&</sup>lt;sup>5</sup> IRI, Baltic Surveys/The Gallup Organizations, Kyrgyzstan National Study, October 2006

implementation thereof. The Monitoring and Advisory Group of NGOs (MAG) established in 2000 has been actively working: it offers the Government transparent and rational principles of consideration and approval of large development projects and investment proposals with potential consequences for the environment and social area. MAG of NGOs protested against international financial institutions whose strategies and projects lead to a debt burden for Kyrgyzstan rather than to poverty alleviation. The MAG demands that these institutions should become responsible for their crediting and should carry out independent monitoring and evaluation of projects and programmes in order to prevent corruption. Human rights organisations express serious concerns about the possible membership of Kyrgyzstan in the HIPC Programme and about the MDRI. Representatives of NGOs criticise the initiative to join HIPC as they doubt the economic efficiency of HIPC implementation, are afraid the country's international image will be tarnished and raise the issue of foreign economic and political dependency. Human rights organisations have appealed to the authorities and society to discuss other options for debt relief, such as recognition of the debt as illegitimate.

Another important event was the appeal of civil society to the Board of Directors of the European Bank for Reconstruction and Development (EBRD) on the issue of possible privatisation of the energy sector of Kyrgyzstan. In particular, representatives of NGOs provided comments on some aspects of EBRD policy. According to the opinion of civil society market competition is not achievable at this stage given the small size of a country with a centralized energy system and some centralized power stations.

"Every project funded by the Bank should stipulate an efficient framework for income distribution among local, regional and national authorities. Moreover, even the best and most comprehensive model of income distribution cannot and should not exempt any EBRD project from the obligation to strictly follow local, national and international standards of environmental and social guarantees"

Excerpt from Appeal of NGOs to the Board of Directors of EBRD

During recent years human rights NGOs have successfully carried out a large number of campaigns with the requirement of observing legality and human rights protection.

For instance, human rights organisations managed to have the Resolution *On the Social and Political Situation in Bishkek* of 11 January 2005, #12 repealed. The given Resolution was an amended version of the Resolution of 21 April 2000, #30 that was approved during pickets by the electorate of Kara-Burrinsky district in Bishkek in support of Felix Kulov. The Resolution limited the right of citizens to freedom of assembly and protests, street processions, pickets and other "forms of protest" to the park at Koenkozov and Ryskulov streets (next to Gorky monument). The Resolution stipulated preliminary (10-day) notice of rallies, pickets, processions and other forms of public events. It also prohibited erecting small architectural forms, yurts, tents and other facilities without permission of district administrations of Bishkek and Bishkek Chief Architecture Department, except for funerals. Human rights organisations tried in vain to repeal the anti-constitutional Resolution in the courts. They sent letters continuously to the municipal authorities with proposals to bring the Resolution into compliance with the new 2003 Law on Freedom of Processions and Rallies.

Today one of the achievements of the nongovernmental sector is development of communication and cooperation within the sector, including inter-sector partnerships, building of coalitions, network structures and international contacts. This is leading to sustainable development of consolidation processes within the sector. There is a multitude of inter-regional network structures of civil society: both formal and long-term umbrella organisations and temporary coalitions.

Examples of high-level cooperation within individual sectors of civil society include environmental, human rights, women NGOs and organisations supporting NGOs that unite their forces to protect their values and interests. Current consolidation processes are notable for their greater maturity (significant experience has been gained that is shared between the organisations), methodological tools, and their targeted development of comprehensive strategies of action. The Civil Forum showed that despite successful experience in building coalitions, leaders of NGOs consider that thematic principles does not suffice for consolidation of the sector. They believe that the priority of consolidation activity is integration of NGOs.

Activities of NGOs demonstrate that sustainable and efficient democracy cannot be built without developed civil society. The civil initiative guarantees a reduction in the gap between the state and society. On the one hand, it allows citizens to participate directly in decision-making and take responsibility for the fate of the country and their lives, and overcome feelings of dependency among citizens and paternalistic tendencies in the social policy of the state. On the other hand, if civil society is developed, the state receives clear feedback and response to its actions or inactions. For instance, during the constitutional reform taking place in the country noncommercial organisations have actively joined the discussions of the reforms.

"During recent years civil society in the shape of NGOs has been a real force in political processes in Kyrgyzstan that has brought real political content to the formalised democratic bodies. Thanks to this the civil sector of the country has become an example for analogous sectors of neighboring countries, having become a link between the state and the population. Thus, during the past years the civil sector of Kyrgyzstan has become a real political force, the most important resource for democratisation of the country".

Nur Omarov, independent political scientist

In autumn 2005 some NGOs facilitated discussion of draft proposals of the Council between NGOs and the general public. They analysed the proposals of citizens collected during the discussion. Despite the fact that terms for introducing changes into the Constitution had been delayed by the President for an uncertain period of time, civil society and active political leaders started demanding the reforms.

Another important contribution of the third sector to the democratic transformations in the country was participation in the election process in order to support fair and honest Presidential elections. The CSSC Association, the Coalition for Democracy and Civil Society, Interbilim, KelKel-Revival Civil Youth Movement, Internews, the Congress of Business Associations, and Foundation for Tolerance International created a coalition and initiated a National Civil Campaign emtitled "I am For Fair Elections!" Political goals were a priority of the campaign; it was aimed at exercising constitutional rights and liberties of citizens of the Kyrgyz Republic.

Under the framework of the campaign and for the first time in Kyrgyzstan the CSSC Association conducted a written survey of candidates for President. Results of the questionnaire-based interviews were published in the form of a brochure which was then disseminated in the country in a print run of 400,000 copies. This covered 60% of the electorate of the country. Almost all candidates for President gave answers to the questions that were most pressing from the viewpoint of representatives of civil society. The electorate had access to the information about candidates and their political platforms. This contributed to the creation of prerequisites of choice and further monitoring of the promises of the winner.

During the Presidential elections NGOs deployed another efficient strategy for ensuring election transparency: civil control of the formation and actions of district election commissions. For

instance, during the Presidential elections 285 representatives of NGOs were approved by local keneshes as members of district election commissions. NGOs also monitored 23 sessions of city, district and village keneshes of deputies devoted to approval of composition of district election commissions.

During Parliamentary elections "Peace as a Light of Culture" PA initiated activities to increase transparency in the creation of district election commissions and sent a written request to the constituency election commission to receive the relevant documets. However, the commission refused to provide minutes to the PA explaining that nongovernmental organisations do not have the right to interfere with the activity of the commission. This violated the provisions of the Electoral Code.

In this connection the NGO filed a complaint with Tokmok City court against the illegal actions of the constituency election commission. Having examined the request Tokmok City court made a decision ordering "the constituency election commission to provide relevant documents to the "Peace as a Light of Culture" PA for investigation of circumstances related to the formation of the constituency election commission." Thus, members of the NGO restored their violated rights.

This legal action has become a lesson for those who violate legislation. It also demonstrates that violations of the rule of law have become a part of legal proceedings with the civil society.

Independent observation carried out by over 4000 activists from the Coalition for Democracy and Civil Society as well as by many other NGOs all over the country showed their efficiency and effectiveness. Thanks to NGO participation many cases of interference with the election process by the state bodies were revealed. Independent observation of the voting process was also organised at nine polling centres located in cities in Russia where citizens of Kyrgyzstan live.

As a result of local NGO activities during the Presidential elections, "dead souls" were excluded from the poll, and changes were introduced therein. This allowed over 14,000 internal migrants and citizens of Kyrgyzstan to exercise their constitutional right to vote. Over 500 new citizens who came as refugees from the Republic of Tajikistan were provided with documents required for voting. NGOs organised dozens of workshops and round tables in order to increase the political awareness of the population.

During the last two years NGOs of Kyrgyzstan have started actively working on shaping public opinion. Analytical organisations, such as the Centre for Public Technologies, Institute of Humanitarian Modelling, the Public Policy Institute, Institute of Constitutional Policy have also become active. They disseminate information about alternative opinions on different issues, and create platforms for various views and actions influencing public discussion of important issues. Analytical organisations have started finding a role for themselves, as a source of concept papers and development strategies, and carrying out political, economic, sociological and legal analysis.

One of the important functions of the nongovernmental sector is provision of social services that are usually not ensured by the state or the market. During the last decade the global nongovernmental non-commercial sector has become a significant force in the global economy. It is also one of the largest employers and an efficient mechanism for resource mobilisation. According to recent data, the total contribution of the nongovernmental sector was calculated on the basis of statistical data from 35 countries of Europe, Asia, Northern America, Latin America, Middle East and Africa. It amounted to US\$1.3 trillion, or 5.1% of the GDP of these countries.

In Russia in 2002, the number employed in the noncommercial sector was 500,000 people or 0.8% of the total number of those employed. The activities of the non-commercial sector in Russia bring 143.2 billion roubles into the country's economy, which is 1.2% of GDP.<sup>6</sup>

Unfortunately, in Kyrgyzstan such research studies have not been conducted yet. However, according to experts, Kyrgyzstan's noncommercial sector makes a big contribution to the country's economy. For instance, in 2006 over 500 NGOs attracted over US\$8 million for implementation of socially important projects. Over 4000 people work in the NGO sector, which is 0.2% of the total economically active population of the country.

A large number of NGOs provide free services to the population: legal consultations, social rehabilitation, dissemination of literature and so on. Microcredit agencies established as noncommercial organisations and self-help groups play an important role in creating working places and self-employment of the population, thus making their contribution to poverty reduction in our country. The specific approach of nongovernmental organisations in providing social services lies in the fact that a person in need is considered to be an active participant in the assistance provided.

Major achievements of NGOs in the social support area include material and moral support provided to socially vulnerable groups of the population: children, older people, disabled, migrants; as well as solutions to housing problems, creation of jobs, and the fight with alcoholism, drug abuse and HIV/AIDS.

The civil sector observes and tries to inform officials and the general public of the importance and seriousness of the problem of child labour. At parliamentary hearings devoted to the issue of control over fulfilment of Kyrgyzstan's international obligations in the field of human rights, NGOs presented the fact that today every seventh child in the world has to work for a living. Children work at industrial waste dumps, tobacco production, and coal mines and are engaged in prostitution.

"Decrease of control of the state, namely of the Ministry of Education, results in nonattendance of schools by children. Children work in agriculture, the retail trade, households and service sectors. In Jalalabad oblast, in Osh and Kara-Suu cities up to 125,000 children are on average involved in agricultural work. According to the Federation of Trade Unions 15,000 kids are working in the tobacco production area.

Natalia Ablova, Director, Bureau on Human Rights and Rule of Law<sup>8</sup>

Labour migration and migrant rights are one of the priority problems in society. Every fourth citizen of Kyrgyzstan is a labour migrant. These data are outlined by Russian sociologists who conducted research in the Kyrgyz Republic and Tajikistan. According to their evaluation, work outside the country is the major source of income for 23% of Kyrgyzstan's citizens. A public campaign conducted by the Sharket coalition under the leadership of Akyikat Zholu NGO made a big contribution on the issue of labor migrants. Akyikat Zholu NGO conducted a sociological survey among migrants from Kyrgyzstan working in Russia and Kazakhstan, as well as among internal migrants in all regions of the country. Based on the results of the survey, proposals for development of a national Programme on Labor Migration have been developed. This National

<sup>&</sup>lt;sup>6</sup> Erkina Ubysheva, "Responsibility, Transparency and Accountability in Nongovernmental Sector as a Factor for Democracy Development", Third Sector Journal, Issue 2.

Report on the research "NGOs of Kyrgyzstan: Figures and Facts", ACSSC (Bishkek: 2006).

http://www.acssc.org.kg/rus/news/news/2006-05-23

<sup>&</sup>lt;sup>9</sup> Informational Agency "24.kg"

programme developed by a group of experts from the civil society was submitted to the Government and the Agency on Migration and Employment of the Population.

Solving housing problems is one of the important fields for civil society. Our House, an association of house owners, initiated a national campaign to establish land borders of blocks of flats. As a result some budget funds were allocated to tackle housing problems in several cities in the country. This is an important achievement of the campaign as inhabitants of blocks of flats can improve their living conditions.

It's worth noting the activities of the Ayan coalition as part of the public campaign against alcoholism and smoking, initiated by the NGO Sezim. The national campaign resulted in changes being introduced and adoption of the Law *On Advertising*. In particular, the Law prohibited outside advertising of alcoholic and tobacco products and restricted such advertisements on TV and radio from 7.00 am till 10.00 pm. The Law also stipulates criminal liability for violation of the provisions of the Law *On Advertising*.

Currently a pressing issue in the world is the increase of the number of HIV/AIDS-infected people. Many public organisations are working on the issue. In 2005 with financial support from the Global Fund for the Fight with AIDS, TB and Malaria, the first research studies in Central Asia and Kyrgyzstan were conducted (Priority Needs of People Living with HIV/AIDS). Many specialists and employees of NGOs (in Kyrgyzstan and outside) working in this area heard the results of the study. HIV activists praised the importance and timeliness of such studies. At present many NGOs are taking part in the fight against HIV/AIDS, as well as against other social diseases, such as TB and malaria.

Gender issues that are of priority in Central Asian countries have also been a focus of the civil sector of Kyrgyzstan. Among the first countries in Central Asia, Kyrgyzstan adopted two basic laws on promotion of gender equality: the 2003 Law *On State Guarantees of Gender Equality in the Kyrgyz Republic* and the Law *On Social and Legal Protection From Domestic Violence*.

An achievement of women's organisations is the introduction of the position of Special Representative of the President in the Jogorku Kenesh on issues of gender equality. Moreover serious changes have occurred in the women's movement of Kyrgyzstan during recent years: symbolical and political power was redistributed between the centre and the regions; groups with new practical and strategic needs (self-help groups, transgender) emerged; the scope of allies in the civil sector expanded, new communication platforms within the women's community were created; and researchers and teachers of gender courses became involved in the process of women's movement development.<sup>10</sup>

Women united in the Network "Women Can Do Anything!" chose implementation of social projects of the needs of local communities as one of their strategies for political promotion. The social projects in particular relate to repair of water supply networks and schools, lighting of streets in villages, control over conditions of maternity houses, and opening of "mother and child" rooms at bus stations. The goal of these activities is to be recognised in the local community so that people would be ready for women during the elections. Such a strategy justified itself: 15 projects were implemented, 6 authors of these projects are now deputies of local keneshes.

#### IMPORTANT EVENTS OF THE NON-GOVERNMENTAL SECTOR in 2005 – 2006.

100

<sup>&</sup>lt;sup>10</sup> From materials of the Conference "Modern Women Movement: Ideology, Practices and Perspectives", 18-20 September 2006, Bishkek.

Date	Event
December 2004	NGOs asserted the right of independence for community-based organisations
	Without preliminary public discussion the Government initiated a draft law "On community-based organisations and their associations", which was submitted to the Jogorku Kenesh for consideration. A number of NGOs started a campaign against this draft law since it violated principal constitutional rights of citizens and limited the independence of non-commercial organisations. In particular, article 11 of the draft law clearly stipulated that local self-governance bodies should control the activities of communities. As a result of the campaign, the Legislative Assembly of the Jogorku Kenesh took into account proposals and comments of representatives of civil society. It proceeded to exclude from the draft law the items introducing control over activities of communities, as well as possibilities to transfer resources of local community development funds to off-budget funds of local self-governance. This law was adopted on 27 December 2004 and signed into law by the President on 21 February 2005.
23 March 2005	A peaceful civil rally "We want to know the truth!"
	Representatives of civil society started a peaceful action, entitled "We want to know the truth!" held at the memorial of Urkiya Salieva. One of the main demands was to ensure access to open and objective information about events taking place in the country.
	A Special Operations Detachment used physical force against participants in the peaceful rally. Workers of law enforcement bodies used batons against protesters, tore slogans to pieces, hustled people into buses and took them away to RDIA (Rayon Department of Internal Affairs). Five people among those detained were women. Among the arrested were Edil Baisalov, Head of the Coalition For Democracy and Civil Society, Bolot Maripov, famous journalist, as well as members of the youth movements Birge and KelKel. Such actions of the authorities were anti-constitutional.
24 March 2005	"Tulip Revolution"
	24 March 2005, the day of revolution in Kyrgyzstan, went down in history. There were numerous irregularities in the 2005 parliamentary elections, and these exasperated citizens, provoking a wave of indignation and refusal to put up with injustice. Rallies, one after another, started throughout the whole republic from the beginning of March. In spite of promises and guarantees not to use force, the state used all possible methods, including violation of constitutional rights. Legal norms didn't function in Kyrgyzstan and primarily they were violated by the former authorities. Citizens were deprived of access to objective information due to informational blockades, organised by the previous authorities, misinformation and massive intimidation of citizens.
	A number of NGOs were observing the development of events in the country. A session of the Coordination Crisis Council of civil society was held on 25 March, the day after the change of power, in the Interbilim Centre. Representatives of NGOs prepared a Declaration for the people of Kyrgyzstan and the provisional government and demanded resolution of the crisis situation in the country.

### April 2005 **National Women's Forum** The Women's Forum was held in order to develop a unified platform of actions, to reach civil peace and introduce gender issues to the new agenda. Participants represented of 134 organisations working on gender issues, and included deputy oblast governors on social issues, journalists and donor agencies. The programme of action drawn up at the Forum called for civil peace and democratic principles, taking into account gender equality. The Forum also led to the creation of a new position of Special Representative of the President on gender issues in the Jogorku Kenesh. This position is unique in the post-Soviet area. 19 – 20 April **Civil Forum** 2005 The goal of the Forum was to consolidate civil society define vision of further development of our state. More than 350 representatives of noncommercial organisations, mass media and business discussed further paths development of our country. The General National Forum of Civil Society was held on 20 April, where about 2000 people participated. Representatives of NGOs, business and mass media reported and made recommendations to representatives of the new authorities, to political parties and to the Parliament. The NGO sector defined the priorities: including constitutional reform; the fight with corruption; and judicial reform. 25 April 2005 NGOs participate in the work of the Constitutional Council The Jogorku Kenesh convened the Constitutional Council with its decree of 25 April 2005. Its aims were to prevent authoritarian systems of management, to eliminate corruption in the echelons of power and to stop other negative tendencies causing irredeemable damages to the society and state. The membership of the Constitutional Council included 57 representatives of civil society. Asiya Sasykbaeva, the Head of Interbilim, was appointed Deputy

Chair of the Constitutional Council.

An initiative to introduce formats of public policy In accordance with a decree of acting President Bakiev, a Working Group was established. Its mandate was to develop measures to expand legislative provision and introduce dialogue among state bodies, local self-government bodies and civil society. On 11 May 2006 a Programme of measures on expansion, legislative provision and introduction of dialogue among public administration bodies, local self-government bodies and civil society (formats

and procedures of public policy) was approved by Presidential decree.

14 June 2005

and

July 2005	Civil Society calls for transparent and fair elections A number of NGOs in Kyrgyzstan initiated a national Civil Campaign "I'm for fair elections!". Within the framework of the campaign, the Civil Society Support Centre Association conducted a survey of the candidates for president to encourage informed voting, accountability and responsibility of the future President. The NGOs distributed 400,000 brochures with responses of candidates throughout the whole country.
	The Coalition "For Democracy and Civil Society" prepared and provided 4000 independent observers for polling stations.
	A free telephone line was opened for the period of the presidential elections to give a medium for voters to inform of cases of of electoral code violations and to get consultations from lawyers in relation to issues of the electoral process.
	The Civil Youth Movement "KelKel-Revival" organised a series of concerts for young people throughout the country to encourage active participation of youth at the upcoming elections.
	During the election campaign, the Foundation for Tolerance International conducted roundtables on the prevention of conflict situations throughout the country. These are still being conducted as this report is written.
	The Congress of Business Associations conducted 12 roundtables throughout the country in order to define the priorities of the business sector and civil society. This was with a view to further lobbying of the President to include the issues in the election programme.
July 4 – 8, 2005	Civil Society initiated televised debates amongst candidates for President In order to provide a real right of choice to citizens, NGOs proposed that presidential candidates conduct political debates during the election campaign. NGOs believe that debates between candidates to the President should become a social and political tradition and a part of the political culture of Kyrgyzstan and their occurrence during the election campaign should be provided for by the Election Code of the Kyrgyz Republic. A series of televised debates with participation of candidates to the President of the KR were conducted with the support of "Internews Kyrgyzstan".
September 2005	NGOs give recommendations on how to improve electoral legislation A number of recommendations on how to compile and work with voter lists, and how to ensure electoral transparency, as well as on independent monitoring, appeals procedures in the election process, and development and work of election commissions were given to the CEC and Presidential Administration.
December 2005	A judgment is made against the Government of the Kyrgyz Republic
	On 20 February 2006, the Mental Health and Society Public Association stated that on 8 November 2005 the Bishkek Inter-district Court pronounced a judgment on negligence of the Government in execution of the Law <i>On psychiatric care and guarantees of civil rights upon its provision</i> , in particular of article 38. In accordance with this article, the state should create a service

that protects the rights of patients in psychiatric institutions which is independent from health bodies. International and local human rights organisations repeatedly informed the authorities of the need to immediately implement this article in order to prevent serious violations of rights of patients at psychiatric institutions. The Law on psychiatric care was adopted as far back as 1999 but still no measures had been taken to implement it. The Government did not appeal against the court decision and it came into force on 8 December 2005. The court obliged the Government to establish a service to protect the rights of patients at psychiatric institutions, which was independent of health authorities.  January 2006  NGOs are against the illegal inspections of NGO activities On learning of the Ministry of Justice's intention to inspect non-governmental organisations financed from abroad, Interbilim and the CSSC Association organisacion of fine non-governmental sector, this initiative was a scrious violation of the Law "On non-commercial organisations", in accordance with which the Government shall guarantee for non-commercial organisations conditions that allow them to fulfil their charter goals and prohibit state bodies and officials from interfering into their activities. On 26 January 2006, representatives of the Ministry of Justice publicly explained that the emerging information was the result of faulty translation from Kyrgyz into Russian and that the existing legislation did not allow them to conduct that kind of inspection.  February 2006  Non-constitutional limitations imposed on the freedom of assembly and street demonstrations are abolished  On 21 February Bishkek Municipal Council in a secret ballot voted for abrogation of Regulation 12 of 11 January 2005 On the social and political situation in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly, rallies, protests, street demonstrations, pickets and "ot		
On learning of the Ministry of Justice's intention to inspect non-governmental organisations financed from abroad, Interbilim and the CSSC Association organised a collection of signatures from more than 100 NGOs throughout the country. In the opinion of the non-governmental sector, this initiative was a serious violation of the Law "On non-commercial organisations", in accordance with which the Government shall guarantee for non-commercial organisations conditions that allow them to fulfil their charter goals and prohibit state bodies and officials from interfering into their activities. On 26 January 2006, representatives of the Ministry of Justice publicly explained that the emerging information was the result of faulty translation from Kyrgyz into Russian and that the existing legislation did not allow them to conduct that kind of inspection.  February 2006  Non-constitutional limitations imposed on the freedom of assembly and street demonstrations are abolished  On 21 February Bishkek Municipal Council in a secret ballot voted for abrogation of Regulation 12 of 11 January 2005 On the social and political situation in Bishkek.  The Regulation of 11 January 2005 was based on the famous Regulation 30 of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky monument).  The Regulation required preliminary notification of conducting of rallies, pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architect		independent from health bodies. International and local human rights organisations repeatedly informed the authorities of the need to immediately implement this article in order to prevent serious violations of rights of patients at psychiatric institutions. The Law on psychiatric care was adopted as far back as 1999 but still no measures had been taken to implement it. The Government did not appeal against the court decision and it came into force on 8 December 2005. The court obliged the Government to establish a service to protect the rights of patients at psychiatric institutions, which was
organisations financed from abroad, Interbilim and the CSSC Association organised a collection of signatures from more than 100 NGOs throughout the country. In the opinion of the non-governmental sector, this initiative was a serious violation of the Law "On non-commercial organisations", in accordance with which the Government shall guarantee for non-commercial organisations conditions that allow them to fulfil their charter goals and prohibit state bodies and officials from interfering into their activities. On 26 January 2006, representatives of the Ministry of Justice publicly explained that the emerging information was the result of faulty translation from Kyrgyz into Russian and that the existing legislation did not allow them to conduct that kind of inspection.  February 2006  Non-constitutional limitations imposed on the freedom of assembly and street demonstrations are abolished  On 21 February Bishkek Municipal Council in a secret ballot voted for abrogation of Regulation 12 of 11 January 2005 On the social and political situation in Bishkek.  The Regulation of 11 January 2005 was based on the famous Regulation 30 of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky monument).  The Regulation required preliminary notification of conducting of rallies, pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in the case of funerals.  Human rights organisations ma	January 2006	NGOs are against the illegal inspections of NGO activities
Non-constitutional limitations imposed on the freedom of assembly and street demonstrations are abolished  On 21 February Bishkek Municipal Council in a secret ballot voted for abrogation of Regulation 12 of 11 January 2005 On the social and political situation in Bishkek.  The Regulation of 11 January 2005 was based on the famous Regulation 30 of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky monument).  The Regulation required preliminary notification of conducting of rallies, pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in the case of funerals.  Human rights organisations made unsuccessful attempts in court to abolish this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the 2003 law on freedom of street demonstrations and rallies.		organisations financed from abroad, Interbilim and the CSSC Association organised a collection of signatures from more than 100 NGOs throughout the country. In the opinion of the non-governmental sector, this initiative was a serious violation of the Law "On non-commercial organisations", in accordance with which the Government shall guarantee for non-commercial organisations conditions that allow them to fulfil their charter goals and prohibit state bodies and officials from interfering into their activities. On 26 January 2006, representatives of the Ministry of Justice publicly explained that the emerging information was the result of faulty translation from Kyrgyz into Russian and that the existing legislation did not allow them to conduct
Street demonstrations are abolished  On 21 February Bishkek Municipal Council in a secret ballot voted for abrogation of Regulation 12 of 11 January 2005 <i>On the social and political situation in Bishkek</i> .  The Regulation of 11 January 2005 was based on the famous Regulation 30 of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky monument).  The Regulation required preliminary notification of conducting of rallies, pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in the case of funerals.  Human rights organisations made unsuccessful attempts in court to abolish this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the 2003 law on freedom of street demonstrations and rallies.	February 2006	Non-constitutional limitations imposed on the freedom of assembly and
abrogation of Regulation 12 of 11 January 2005 <i>On the social and political situation in Bishkek</i> .  The Regulation of 11 January 2005 was based on the famous Regulation 30 of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky monument).  The Regulation required preliminary notification of conducting of rallies, pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in the case of funerals.  Human rights organisations made unsuccessful attempts in court to abolish this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the 2003 law on freedom of street demonstrations and rallies.		<u>-</u>
of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky monument).  The Regulation required preliminary notification of conducting of rallies, pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in the case of funerals.  Human rights organisations made unsuccessful attempts in court to abolish this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the 2003 law on freedom of street demonstrations and rallies.		On 21 February Bishkek Municipal Council in a secret ballot voted for abrogation of Regulation 12 of 11 January 2005 <i>On the social and political situation in Bishkek</i> .
pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in the case of funerals.  Human rights organisations made unsuccessful attempts in court to abolish this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the 2003 law on freedom of street demonstrations and rallies.		of 21 April 2000, which was adopted when street demonstrations were organised in Bishkek by voters from Kara-Buura district to support Felix Kulov. Then for the first time, the Regulation limited the rights of citizens to assembly and street demonstrations, by determining and fixing places for assembly, rallies, protests, street demonstrations, pickets and "other forms of protests" in the square, on Koenkozova and Ryskulova streets (at the Gorky
this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the 2003 law on freedom of street demonstrations and rallies.		pickets, street demonstrations and other forms of public events not later than 10 days prior to the start of street demonstrations. It was also prohibited to set up yurts, tents and other temporary buildings without obtaining permission from district administrations and Bishkek Architectural Department, except in
8April 2006 People of Kyrgyzstan against criminalisation of power		this anti-constitutional regulation. Human rights organisations repeatedly sent letters to city authorities with proposals to bring it into compliance with the
	8April 2006	People of Kyrgyzstan against criminalisation of power



From the address: 'We, representatives of civil society, can no longer silently witness how certain forces impose their own criminal rules of the game on us! We cannot witness how laws that should be common and compulsory for all, are, in fact, executed selectively or not applied at all! We can't put up with this situation anymore when contract murders, political intimidation, and

criminal "raids" on businesses are becoming a common practice! We can't witness silently the ensuing merging of the authorities and the criminal world. People who were still silent and patient, should finally state directly and openly: "Enough is enough! No to criminality! Yes to law and order!"

More than 2000 people joined the rally against the fusion of the authorities and the criminal world.

### April 2006

### Draft Law On state social security approved by the Government

On 27 April 2006 the Ministry of Labour and Social Protection, the CSSC Association and the International Centre for Non-profit Law agreed to work in close cooperation and signed a memorandum of understanding and cooperation on improving legislation pertaining to public financing (state contracting) of non-commercial organisations (NGOs). As a result of the work of the Joint Working Group, the draft law *On the state social security* was developed, and publicly discussed.

On 14 September the Government press service announced that the Government had issued a decision that supported the draft law.

The draft law provided for involvement of non-commercial organisations in the implementation of state social programmes by distributing and realising social security. This would allow the Government to increase significantly the effectiveness of implementation of social programmes in the country and to attract additional human resources, as well as material and financial resources from non-governmental sources to the social sector.

### **June 2006**

#### NGOs defended women's rights

At the beginning of June, a number of women's NGOs rose in opposition to the initiative of the Ombudsman to introduce criminal liability for abortions for social reasons in the 12-22 week period. They sent an appeal to the President, the Government and Jogorku Kenesh Deputies on 7 June 2006.

As a result of parliamentary hearings, the initiative of the Ombudsman was not supported. All sides, except the initiators of the proposal, came to the opinion that it could aggravate the situation in the field of reproductive rights and humanitarian safety.

### June 22-23, 2006

### National NGO Exhibition - 2006 was held in Bishkek



On 22-23 June 2006 the National NGO Exhibition was held in Bishkek, organised by a number of non-governmental organisations through the initiative of the CSSC Association.

More than 60 NGOs had the chance to present their exhibition stands and provide full information about their activities. More than 700 people were

able to increase their awareness of NGOs. Representatives of state and business had the chance to see a wide spectrum of social projects and initiatives of NGOs, and to improve dialogue to provide more effective support to consumers of social services. Within the framework of the exhibition, nominations were announced and the strongest NGOs were awarded with certificates of appreciation, as a form of gratitude for their priceless contribution to the development of the country's third sector.

### **July 2006**

#### Public Chamber on Mass Media Issues is established

On 6 July 2006, the first working session of the Public Chamber on Mass Media Issues was held, the members of which were selected on 5 June this year by representatives of public organisations in the country. The Public Chamber on Mass Media Issues is focused on active participation and promotion of interests of society in media policy. The Public Chamber brings together a group of people acknowledged by society to be progressive and have modern views, and who are ready to make rational decisions presenting the interests not of their own organisations and employers but in the interests of the society as a whole.

#### October 2006

#### Civil Forum -II made a number of demands to President Bakiev

On 12 October 2006, Civil Forum – II was held, the purpose of which was to develop a general strategy to tackle the existing social and political situation in the country. Representatives of governmental agencies, the civic sector, members of political parties, Jogorku Kenesh Deputies, journalists and representatives of international organisations and the business community all took part in the Civil Forum. Based on speeches of participants, a resolution was adopted. The main demands were the following:

- For President Bakiev to submit the draft Constitution, developed by the First Constitutional Council (July 2005) to the Jogorku Kenesh within 10 days.
- For President Bakiev to carry out Regulation of the Jogorku Kenesh and to form a Coalition Government of Public Trust.
- For President Bakiev to recall his veto on the law to create a public television station at KTR and to sign it into law within 10 days.

### November 2006

### Rally "For Reforms"

The struggle for constitutional reform that started almost immediately after the March Revolution of 2005 was initiated by a group of deputies and politicians. Subsequently this group organised the movement "For Reforms". Reformers insisted on adoption of a constitution, which would establish a parliamentary republic in Kyrgyzstan with significant limitations of

	The President declared that the republic was not yet ready for the parliamentary model. The movement "For Reforms" expanded its demands, by including fulfilment of pre-election expectations (creation of public television, a fight with corruption and so on) in addition to carrying out immediate constitutional reform. After unsuccessful negotiations with the authorities, the movement declared they would organise a rally "For Reforms". Observers estimated that more than 5000 people participated at the rally in the central square of Bishkek. About one thousand people spent the nights at the square; where about 200 tents were installed.
8 November 2006	The new Constitution  After one week of For Reforms rallies, President Bakiev signed into force the new Constitution on 9 November 2006. Political scientists believe that the compromise achieved played a positive role in preventing the escalation of internal confrontation in the country. In spite of the fact that the transfer to a completely parliamentary republic did not happen, there were first steps made in this direction.

## 5.3 Difficulties and Challenges of the NGO Sector Today 11

In order to realise the potential of third sector fully in the development of the social sector, the building of civil society and the development of social capital, it is necessary to overcome considerable predicaments of both internal and external nature.

External barriers include difficulties with the authorities; the lack of a middle class as a financial base for the non-governmental sector to lean on; and the insufficient support of civil initiatives by the population and underdevelopment of traditions of charity and patronage of art.

Dialogue and interaction between the authorities and the civil society is not sufficiently developed and enshrined at the legislative level. Examples of the existing dialogue include interaction in the form of formal advisory councils (for example, public councils, national councils and working groups), and consultations with civil society. However, it should be noted that such dialogue is supported sometimes by the government only to observe formalities or even as a simulation. It is important to ensure that the dialogue leads to specific changes or corrections of the political course or at least to improvement of mutual understanding between civil society and the state.

The role of NGOs is underestimated in a number of fields, including provision of social services to the population, development of civil society and crystallization of new ideas for public development; decreasing social tension; development of new social technologies, designed to tackle social problems; protection of civil rights and development of a state based on rule of law. The consequence of such underestimation is a lack of coherent state policy, which would be directed to comprehensive support and encouragement of civil initiatives, as well as use of their potential in the modernisation of the country. Actions of the authorities in relation to NGOs demonstrate two contradictory trends. On the one hand, the executive, led by an idea of immediate political expediency, and not by economic and social benefits, adopts regulations, targeted to support mechanisms for dialogue between NGOs and the authorities. These include the

.

<sup>&</sup>lt;sup>11</sup> Co-authored by N.Satarov and E.Ubysheva.

Programme of measures on expansion, legislative provision and introduction of forms of interaction between public administration bodies, local self-government bodies and civil society into practice (formats and procedure of public policy) in the Kyrgyz Republic. On the other hand, by reacting to the activities of human rights organisations and setting of public opinion against non-commercial initiative, as a whole, it impedes the development of civil society, of its agencies and initiatives. As a result, huge human and intellectual reserves, in the form of thousands of workers and volunteers with NGOs, are being practically wasted.

Recently the negative attitude of government representatives to the non-commercial sector is being demonstrated more often due to politicisation of many non-governmental organisations.

"I believe that it's not right to blame NGOs for getting involved in politics. First of all, because here everybody has to be politicised since, in fact, there is almost no political space at all. Secondly, because in contrast to our political parties, NGOs have, as a rule, real social bases or, in other words. represent real political interests of significant groups of the population".

V.Bogatyrev

Recently NGOs have been combating public hesitation about the legitimacy of NGOs and their right to lay blame. NGOs believe that the right of human rights organisations to observe actions of the authorities come not from claims to be representative, but from a moral duty based on the universal values of the Universal Declaration of Human Rights. During the last two years, the authorities repeatedly tried to limit the activities of public organisations under the pretence of the fight with religious extremism and threats to national safety. Leaders of NGOs speak about the necessity to shift state policy towards the non-commercial sector from a suspicious attitude to an active supportive attitude.

"I believe that we should change cardinally the role of non-governmental organisations in the administration of social affairs. And this should be legislatively provided for. We should create legal conditions for full-fledged and equal participation of civil society in the management of all issues. That is first and, secondly, we should develop specific procedures, mechanisms and formats for such participation together with you. I welcome the fact that you have already started this work yesterday. This is only a beginning, all civil society should be involved – not only non-governmental organisations, but the business community, political parties, mass media, experts, all civil formations in one word. Let's work out together what and how we should do. I think that the rights of civil society, undoubtedly, should be provided for in legislation. For example, this should include how to turn to government bodies for provision of information and clarification on actions taken, how to make proposals and to receive real answers to them, how to participate in the formation of bodies to coordinate interests established under government bodies, how to submit proposals for consideration of these or those issues to the President and Government, how to participate at sessions of the Jogorku Kenesh, Committees of the Jogorku Kenesh, the Government, or collegiums of ministries and agencies, where issues of public interest are being considered, how to invite and hear the heads of state agencies on issues of public interest and other issues. And this is the list of the most basic rights and authorities".

K. Bakiev, Civil Forum, April 20, 2006

In the opinion of experts and leaders of NGOs, the most vulnerable place is the donor "needle" which is used by many organisations of the civil society. It's not their fault, it's their disaster. <sup>12</sup> In the present economic situation, it is useless to rely on private donations of citizens as a main source of earnings of NGOs (unlike abroad, where private donations serve as the basis of budgets of NGOs). In Kyrgyzstan local funds do not exist to donate funds for NGO projects. This leads to lower financial sustainability of NGOs and put them in a situation of dependence of foreign sources of funding and of partly forced orientation to the priorities of foreign donors, or a shift to non-professional and fully volunteered activities. Accordingly, the potential of NGOs to solve social problems and contribute to economic development is significantly decreased.

NGOs function only with the support of external donors and grants. If the external support decreases, it would affect the development of the third sector.

A. Alisheva, Institute for Regional Studies.

Today there is no real working mechanism of social incentive for corporate philanthropy, due to the fact that the majority of commercial structures try to hide their profit because of the high tax burden. It is quite obvious that a 5% corporate tax reduction is a really weak incentive for the development of philanthropy.

Existing legislation also does not provide for governmental stimulation and support for individual philanthropy, donations from private persons who serve as a principal source of funding of NGOs abroad. Now, tax concessions in income tax are provided only to those citizens who direct their donations to the state budget and charitable organisations. Around the world non-governmental organisations working in development rely on donations of citizens, but in Kyrgyzstan they are deprived of such opportunity.

Abroad, most charitable funds financing the activities of NGOs arise thanks to exemption from death-duties and tax on income from securities, if the whole sum is put to charitable goals. Since such mechanisms basically do not exist in Kyrgyzstan, there are no local foundations providing grants, as they have nowhere to receive funds from.

In addition, in Kyrgyzstan the mechanism of stimulation of NGO activity by direct contractual competitive funding of programmes and projects of NGOs from budgetary funds needs to be considered. The draft law *On state social security* submitted by the Government to the Jogorku Kenesh in September 2006 has been negatively commented on by the Committee on Social Policy, Developed with the participation of NGOs, the draft contained principles, rules, regulations of creation, distribution and execution of orders for social programmes by organisations of various types of property on a contract basis and through competitive mechanisms, And it is not possible to realise a mechanism for social security without having a proper legislative framework.

"It is absolutely necessary to have funding for NGOs from the government budget. In Europe, in the United States, all around the world, the non-governmental sector works with funds of their own states. There is nothing shameful about it. Their work should be really independent and mechanisms should be provided.

Edil Baisalov, The Coalition for Democracy and Civil Society

Thus, the NGOs of Kyrgyzstan find themselves in a position of dependence on grants from foreign foundations and in some cases from state financing of NGOs, which is based not on the

\_

<sup>&</sup>lt;sup>12</sup> From an interview with B. Bogatyrev.

effectiveness of proposed programmes but on the "proximity" of the specific NGO to certain officials.

At present, it can be admitted that there is a lack of holistic, systemic perception of the non-governmental sector, the activities of which help to solve social problems. When estimating the level of the relationship of the non-commercial sector with the commercial one, the following should be noted: the spontaneous nature of charitable support prevents the development of the non-governmental sector since managers of business organisations do not perceive representatives of NGOs as petitioners. Business leaders are characteristically sceptical about non-commercial organisations; they prefer direct links with beneficiaries. However, a number of non-commercial organisations have been supported in 2005 by businesses and demonstrated a range of successful examples of such cooperation.

In Kyrgyzstan businesses have just started financing individual projects, but it's only a beginning, I should say, and in the future the culture of philanthropy and social responsibility of businesses will increase. Among local companies, we can highlight Kumtor, Reemstma, and Dordoi, which all invest funds in educational and social projects.

Shakirat Toktosunova, Eurasia Fund – Central Asia

Heads of NGOs consider their publicity to be weak. This is primarily because of the low awareness among citizens of the activities of the non-commercial sector and here the main objective is to expand the circle of interested parties and to improve interaction with the mass media. However, there is another equally important problem: the complicated social and economic situation in the country reduces the importance of issues of civil society development. In the opinion of political scientist Nur Omarov, the developing civil society of Kyrgyzstan seems to be incapable of achieving one of its most important objectives – to build sustainable horizontal social links which should replace authoritarian vertical links. To a considerable degree, this is conditioned by social and cultural prerequisites of development of a society that has traditionally been built on the basis of patronage and client (clan, tribal, family and other) links. In solving their problems, citizens would more often rely not on mutual trust and solidarity but on personal contacts with people higher in the social hierarchy. The scientist notes that in such conditions the low level of identification of citizens not only with the state and society, but also with the particular social group to which they belong is natural. The direct result of this is insufficient social activity and passivity of citizens in achieving common national interests in contrast to solution of private issues.<sup>13</sup>

"The common feature is an obvious advance of the process of institutionalisation of civil society instead of the process of social mobilisation of the population".

N. Omarov

Important prerequisites for development of social capital are a high level of interpersonal trust and wide access of citizens to mass media and information. The readiness of people to start relationships with each other depends on the level of interpersonal trust. Francis Fukuyama emphasizes that "trust is an emerging expectation among members of the society that other members of the society would behave more or less predictably, honestly and attentively to needs of those around and in accordance with certain public norms". In turn, the wide access of citizens to mass media and mass communication allows the expansion of the geography of social contacts, promotes a strengthening of national unity among people and creates a feeling of participation in events and problems important for the society. Thus, one of the priority

\_

<sup>&</sup>lt;sup>13</sup> N. Omarov *The third sector* Journal №3, December 2006

objectives of non-governmental organisations is not only to strengthen democratic values, but also to actively form the civil nation.

As to interaction with the mass media, currently the lack of holistic perception of the non-commercial sector is characteristic of representatives of mass media, as well as of other sectors of society. Public opinion about NGOs is fragmentary. Currently, representatives of non-governmental organisations have to overcome the scepticism of the public about NGOs with the help of journalists. How soon this will happen depends on the activities of NGOs themselves and on their openness. During the last two-three years, public organisations have developed virtual space and open sites and advocate the third sector in the global informational network. The most famous and constantly updated sites are open.kg, the site of the Institute of Social Policy, the CSSC Association and the Peremena Public Fund. Although the sites try to work interactively, the circle of users of NGO sector resources is limited.

The civil sector of Kyrgyzstan is now at the stage of development when non-governmental organisations should win recognition of the sector as an important public force. It should be able to influence the development processes in the country as well as decisions made by the authorities, and to shape public opinion and the civil activity of the population. Realisation of this primarily depends on massive support for civil society organisations from citizens. Without a constant increase in awareness among the people about the activities of NGOs, such support is barely possible.

There is another issue – the heterogeneity of the sector itself. A gap between large organisations that have been working for a long time and very small ones that have just been created and have no experience is obvious. This gap creates additional problems in the development of sustainable and effective horizontal links within the sector itself. Also the November events have shown that protest colours civil initiatives and narrows the space for dialogue with the authorities since the dialogue in this case will be possible only with the narrow circle of oppositionists. The constructive opposition, on the other hand, would expand the dialogue and discuss wider issues. Coalition activities of NGOs, as a strategy is effective, but efforts to unite are more expensive. NGOs speak of the need to expand the "informational playground", to exchange experiences and create "a bank of actual proposals', using not only personal communications, but also electronic communication among participants of the coalition activities.

As to the internal impediments, the most basic of these is organisational weakness of NGOs and a lack of professionalism in their work. In the opinion of experts, the main problem of NGOs is that despite the fact that NGOs operate and have been created in a great numbers and implement projects, there are still problems of organisational development.<sup>14</sup>

The most important criterion of effectiveness of an organisation is how many clients are being served by it within the certain period of time. This particular indicator is the leading one: the desire of people to obtain this or that service from an NGO is a very sensitive indicator. Thus, for example, data from Russian experts show that approximately a third of organisations are oriented to themselves, the notion of clients does not exist for them, and there are twice as many of this kind of NGO as the number of those that facilitate the solving of problems of other people.<sup>15</sup>

Experts believe that only NGOs with missions that meet the demands of the population have a chance to survive in the long-term perspective. An analysis of activities of NGOs shows that

-

<sup>&</sup>lt;sup>14</sup> Erkinbek Kasybekov, "On the Issue of NGO Efficiency", "Third Sector" journal.

<sup>&</sup>lt;sup>15</sup> Please see <a href="http://www.sluzhenye.sandy.ru/sl/biblio/balab/statia.html">http://www.sluzhenye.sandy.ru/sl/biblio/balab/statia.html</a>, Achievements, Difficulties and Perspectives in NGO Development or Tomorrow Will Be Better Than Yesterday?

although the majority of organisations have their own client base by registration data and that the number of clients varies from 10 to 45 people per month, more thorough analysis of many organisations shows that these figures are not supported by real work with clients. It is important to get feedback from the client base by means of regular questionnaire surveys and getting comments from clients on increasing the quality of services. In the opinion of experts, the activities of non-governmental organisations often depend on one or two colleagues, who devote themselves fully to the fulfilment of the mission of the organisation. Many NGOs work only for the period of implementation of a project and after its completion the NGO stops working or gets "frozen" until the next project.

Analysts state that the next biggest challenge for NGOs is the development of democratic administration for the organisation. In its functioning, the organisation reaches a stage when it needs to separate policy and managerial functions. The same people cannot define the policy of the organisation and implement it at the same time, as objectivity in appraisal of implementation of the policy would be lost. Therefore, more mature organisations introduce checks and balances into their systems, in which some people develop and approve the organisational policy and others implement this policy. In this connection, the managerial body, according to experts, is an organisational body which is authorised by documentation to monitor a spectrum of policy functions of the organisation and is responsible for them as well. Unfortunately, the majority of NGOs do not have managerial bodies in the structures of their organisations.

Analysis of effective management or administration in organisations shows that NGOs need to upgrade their management knowledge and skills. The NGO staff realise the policies of the organisation, approved by the managerial body, and periodically report to the latter on its execution. A manager is a hired employee, and the managerial body acts as employer. It is very important that functions of the manager are defined in the Charter, but also he/she should have detailed and clearly defined terms of reference. It is also important to have terms of reference for all employees. Effective management is impossible without periodical performance appraisal of the personnel. Each manager should be able to formulate objectives for his/her subordinates and then to evaluate their implementation and to monitor proper fulfilment of terms of reference. In addition, it is necessary to be able to evaluate professional behaviour, effectiveness and judgment, as well as interpersonal communication skills of junior colleagues. Top managers also should be able to evaluate the managerial skills of managers subordinate to them. The existence of such an appraisal system in the organisation is highly effective. After the performance appraisal is completed, the manager can take managerial decisions on issues of career promotion or changes in wages and so on as such decisions will be based more on objective factors than subjective ones.

Well placed sources say that many NGOs do not understand the importance of strategic planning and just a few NGOs that work in the periphery have strategic plans. Strategic plans define the success of any organisation in a changing internal and external environment. A lack of such a plan indicates that the organisation has to adjust itself to changing circumstances, which means that it depends on them significantly, and this means that the organisation is ineffective.

Another important factor is the financial managerial system. Quite often NGOs have efficient accounting systems, which is a part of the managerial system, but do not have financial managerial systems, or internal financial control policies. This cannot satisfy strategic donors, who provide large grants and easy loans, but do not deal with issues of institutional development of organisations. The majority of NGOs do not have financial management systems and the majority of them do not understand the necessity of financial transparency and accountability.

Another major challenge for NGOs is to develop their financial bases. Knowledgable individuals believe that the variety of financial sources of the organisation depends on the effectiveness of efforts undertaken by the organisation. It is no secret to anybody that grants from external donors are the main financial source for the majority of Kyrgyz NGOs. Unfortunately, this is an extremely dependent strategy: departure of external donors from the country will result in financial vulnerability of such organisations. Other potential sources could be and should be membership fees (a great number of NGOs in the world function with such fees), incomegenerating activities, including social enterprises, and contracting with the state and businesses. Research conducted by the Association of CSSC shows that many NGOs are trying to diversify their resource base, in spite of the fact that eight organisations out of ten were funded by international sources in 2005.

Only some active NGOs have developed programmes to attract volunteers to their organisations and are engaged in income-generating activities. Unfortunately just a few NGOs have financial independence today, allowing them to implement their activities independently, qualitatively and on a large-scale. The knowledge representatives of NGOs gain in training is not always put in practice. In particular, this is related to issues like fundraising, public relations, development of financial sustainability, and NGO management. Thirdly, quite often NGOs plan their activities based on announced grant programmes of donor agencies and they are not oriented to their own programmes and needs of their clients. <sup>16</sup>

#### 5. 4 Current Tendencies of Noncommercial Sector Development in Kyrgyzstan

Analysing the achievements and contribution of the NGO sector to social development, certain tendencies of NGO sector development can be noted. In particular, there is a strengthening of the impact of NGOs tackling specific problems in the regions and participating in local development, a strengthening of NGO participation in political life in the country. In addition there is development of coalitions and networks for solving problems, and strengthening of professionalism and leadership within the organisations.

During the research it was noted that NGOs have started paying more attention to local problems. The following areas of activities were named as priorities: social mobilisation, including tackling infrastructure issues at local level; support of children; support of older people; support of migrants and refugees; tackling health care problems, in particular HIV/AIDS issues; development of local self-government; women's issues and issues of domestic violence. According to experts, NGOs are flexible in responding to the changing circumstances. They are gaining unique experience in problem solving. Often methods of work and solutions developed in noncommercial organisations are then applied by state agencies.

"Many NGOs have started protecting human rights, improving social and economic life in rural and urban areas in a more professional and comprehensive manner. Enthusiasm and initiative among the leaders of many NGOs is a distinguishing feature of the third sector"

Mairambek Tairov, Rural Investments Project, IRIS

During recent years, according to experts and leaders of NGOs, politicisation of many noncommercial organisations has been observed. Views have been expressed that this phenomenon affects civil society development: in other words, noncommercial organisations are moving away from the major reason for their existence, the tackling of social issues.

<sup>&</sup>lt;sup>16</sup> Erkinbek Kasybekov, "On the Issue of NGO Efficiency", "Third Sector" journal.

"Compared with the classic model, where parties and mass media act as "dominant", in our country nongovernmental organisations (NGOs) prevail. In fact they have occupied the party niche within the political system of the society. Such a situation gives food for thought within the political arena" <sup>17</sup>.

Alexandr Tretyakov, Institute of Humanitarian Modeling

However, according to experts, NGOs are not taking part in the struggle for power, which is the goal of parties. On the contrary, NGOs only act against the authorities. Moreover, they neither develop nor submit development programmes as parties do. For NGOs recognition from international agencies is much more significant than recognition from the population. International agencies do not intend to "consume" political services offered by NGOs. A big problem is observed in the legitimacy of NGOs acting on behalf of society, formulating problems and expectations among different groups of the population<sup>18</sup>.

Yet there are opposite opinions. Some believe that involvement of noncommercial organisations into political life is a necessary condition for society's development. According to Asiya Sasykbaeva, director of Interbilim, such a situation has come about historically and socially: in Kyrgyzstan NGOs have been more developed than political parties. The main reason for this is that in the former Soviet Union public organisations could engage in politics and even put forward candidates for positions in elected bodies. In the opinion of Sasykbaeva the western interpretation that NGOs can not engage in politics is incorrect. At present many leaders of NGOs are very strong and could acquit themselves well in government. According to other experts, in a situation complicated by crises in politics, ecology and other areas, NGOs are demonstrating civil maturity, self-control and objectivity in their efforts to resolve problems.

"The processes of change of our NGOs corresponds to world tendencies: NGOs are becoming active; they are actively influencing political processes and actively consolidating their resources"

Atyrkul Akisheva, Institute for Regional Studies

There is yet another opinion of why NGOs engage in politics: according to the Coalition for Democracy and Civil Society's Edil Baisalov, in Kyrgyzstan NGOs play the role of political parties and invade alien territory because political parties do not make statements, do not function and do not operate in a due manner. There are no doubts that too much public attention is given to the activities of NGOs that have occupied the niche and space of political parties. Therefore, in the opinion of NGO leaders, it is the fault of political parties that some people are trying to use NGOs this way.<sup>20</sup>

Joint efforts undertaken by NGOs recently to participate in political life and solve the social problems of society can serve as one of the examples of situations where consolidated activity of NGOs is required. According to NGO leaders and experts many organisations are becoming strong and have started uniting into networks and coalitions in various areas as they can do much more as networks. For instance, many networks and coalitions have been created during the last few years, such as the Coalition For Democracy and Civil Society, the Association of Civil Society Support Centres, the Network of Human Rights Organisations, the Association of Crisis

<sup>20</sup> Ibid.

114

Alexandr Tretyakov, "Civil Society and the Power; Culture of Relations", Institute of Humanitarian Modelling Ibid

<sup>&</sup>lt;sup>19</sup> Interview held on August 3, 2006, Interbilim NGO office, Interviewer: Elmira Shishkarava.

Centres and many others. In the view of NGO leaders, uniting in networks or coalitions is one of the best changes within the third sector.

According civil society figures and experts a distinguishing feature of NGOs of Kyrgyzstan is the professional leaders, managers, consultants and trainers in NGO management and in many other areas. The major achievements are independence, and the emergence of a set of leaders who think in a new way, who can influence the authorities, and who can objectively evaluate the political situation in the country and in the world.

"The most interesting things in the work of our partners are their enthusiasm, aspiration, belief and loyalty to their work, as well as sincere empathy with the problems of ordinary people. Sometimes the scale of the work done is highly impressive given minimum funding and constant obstacles created by state bodies. Work of human rights and civil society activists in the regions and remote areas, where they often solve problems face-to-face with the authoritarian approach of local authorities, deserves special respect".

Sardar Bagyshbekov, Freedom House

The research identified that the non-commercial sector attracts many leaders because they can fulfil themselves; they can participate in social development and work with people committed to civil society.

"Why am I here now? Because work in the third sector means true work: it means meeting interesting people, possibilities for knowledge and experience of exchange, learning new things with practical value and being able to influence the problems of organisations and local communities. The next significant factor for me is the large scale of initiatives present in the third sector as nowhere else; moreover, initiatives are only welcomed".

Bermet Muratalieva, Trainer-Consultant, ACSSC

The active work of women in the third sector was marked by the following fact: in 2005 7 women were nominated for the Nobel Prize on behalf of Kyrgyzstan. Information about this can be found in the book *1000 Peace Women* published by the 1000 Women for the Nobel Peace Prize 2005Association (Scalo, Switzerland).<sup>21</sup>

"I am grateful to my fate that always let me meet remarkable people! I like many NGOs. All of them do important jobs. There is no need to look for "stars", everyone deserves respect for the work he/she is doing with all his heart. People working in the third sector work as volunteers. Thus, I feel a special respect for them".

Atyrkul Alisheva, Institute for Regional Studies

#### 5.5 Perspectives for NGO Sector Development in Kyrgyzstan

According to experts non-commercial organisations of Kyrgyzstan are at a crossroads; they are at a critical moment. Over the last ten years the international community contributed huge resources to the development of the non-commercial sector. The stage of NGO development is linked by the majority of experts with the revolution of 24 March 2005. The experts believe that

115

<sup>&</sup>lt;sup>21</sup> Interview with Aziza Abdirasulova, September 27, 2006, at NGO "Kylym shamy" office, Interviewer: Bermet Muratalieva

there are favourable conditions for NGO sector development as Kyrgyzstan is more open for such developments legally and politically. In the opinion of NGO leaders the conditions leave much to be desired, yet they are better than in other countries, where NGOs are concerned with survival because of the conditions created by the state.

Pursuant to experts' evaluation the third sector in Kyrgyzstan will continue developing if there are no global changes that can affect the policy of the country. The opinion was expressed that in the near futurethe leading NGOs will be strengthened and surrounded by other organisations through creation of coalitions and networks. The non-commercial sector in Kyrgyzstan will not develop if it fails to realise the priorities of its development. It is also important for NGOs to reach a level where the population will support them.

In the course of the research the opinion was expressed that there is "huge area", where civil society has not shown its full capacity. The National Fair of NGOs conducted by the ACSSC in 2006 showed that non-commercial organisations in Kyrgyzstan have optimistic views of the future of their activity. The major role for the future is provision of high-quality services to the population, provided the government will finance the third sector.

One of the most important conditions for sustainable development of NGOs is realisation among representatives of the third sector that efficient solutions of socially important issues will be achieved through interaction between the state and commercial structures.

"Normal democratic relations between society and the authorities are only starting to develop. In this regard there are potential perspectives. If we root for our country and our future we have to develop these resources. What, in our opinion, civil society can do is demonstrate its civil position through taking responsibility for the events taking place in the country, its work, ourselves and our friends and families".

Alexandr Tretyakov, Institute of Humanitarian Modelling

Despite the measures taken to support the noncommercial sector there are a number of problems to tackle. The way they are solved will stimulate qualitative growth of the NGO sector, and open new possibilities for real cooperation of all sectors of society.

According to experts, civil organisations have to strike a new vector of relations, a vector of partnership and dialogue instead of confrontation. They will have to give up many ambitions and take on real obligations. This is what is needed for building normal democratic relations. Secondly, it is necessary to replace political activity of civil organisations by other types of activities. These could be as follows:

- Expert analysis to ensure the establishment of daily democracy;
- Development and continuation of programmes and strategies for the country and local communities;
- Identification of priorities;
- Organising support for the state among the general public;
- Training of administrative and commercial managers, instead of political leaders.

Thirdly civil society will have to develop tools of public policy as a real way of organising culturally and statutorily defined relations between the authorities and society.<sup>22</sup>

\_

<sup>&</sup>lt;sup>22</sup> Alexandr Tretyakov, "Civil Society and the Power; Culture of Relations", Institute of Humanitarian Modeling

Many NGO leaders believe that the NGO sector should become a source of ideas. In their view, today NGOs are successfully performing a "watchdog" role, while the weakest link in the NGO sector is a lack of research and analytical centres.

Another important factor for NGO development is financial support of NGOs by the state.

The experience of programme development and support of the noncommercial sector in Kazakhstan and Russia should be noted.

For instance, the Maslikhat of Almaty developed a programme of state support for noncommercial nongovernmental organisations. The major goal of the programme is creating conditions for sustainable development of noncommercial nongovernmental organisations in the framework of civil society, and to strengthen their role in solving social problems through dialogue and support of state bodies. Implementation of the programme entails system-based and stage-by-stage activities in the following priority areas: development of civil initiative, activities of state bodies of Almaty in social partnership with noncommercial and nongovernmental organisations, consultancy services, and methodological, administrative and technical support.<sup>23</sup>

The experience of Russia in noncommercial organisational development is also illustrative. For instance, Siberian NGOs offer the following steps for stimulation of civil society. The most important steps are development of the Mid-Term Federal Programme of Public Organisation Support (up to 2015) that will define all-Russia priorities in the area of civil competence and participation. This entails a review of the existing system of moral and material stimulation of organisations and sponsors thereof, bureaucratic barriers and tax burden, development of scientific studies of civil society issues, and wide use of Internet communication to involve wider layers of the population, including those living in remote areas in the activity of public organisations.<sup>24</sup>

According to experts and NGO leaders, state support for the noncommercial sector is also necessary in our country.

We need to make the state include in the national budget an item on funding of NGOs, social security, and similar issues... In Europe and America and in the whole world the nongovernmental sector works with the financial support of its own state. There is nothing to be ashamed of. The work should be independent and there should be mechanisms for that".

Edil Baisalov, Coalition for Democracy and Civil Society

One of the important steps toward development of NGOs and partnership among NGOs and the state is the adoption of Law of the Kyrgyz Republic *On State Social Security*. The Draft Law is aimed at developing civil society bodies, increasing the efficiency of budgetary allocations for tackling social and economic problems and involvement of noncommercial organisations in creating solutions.

Currently there are many priority problems for tackling on which the state and NGOs can undertake joint efforts. In the opinion of NGO representatives these are problems of poverty, disabled people, children and older people, education, health care and environment. In his address regarding Country Development Strategy, President Bakiev noted that civil society, our non-governmental organisations, should be actively involved in the discussion of this document.

<sup>&</sup>lt;sup>23</sup> More information is available at www.almaty.kz

<sup>&</sup>lt;sup>24</sup> More information is available at <a href="http://www.tgpo.tomsk.ru">http://www.tgpo.tomsk.ru</a>.

As a result of this there is a need to develop common a viewpoint and introduce changes in the National Development Strategy.

"Now it is very important for us to aim to tackle the major tasks jointly, with one will. We should understand that we can't rely on foreign assistance; we can't expect that somebody will come and make our country rich. We have been living with this hope for a long period of time, yet we have accumulated many debts. Now we have to work by ourselves".

Kurmanbek Bakiev, President of the Kyrgyz Republic 25

-

<sup>&</sup>lt;sup>25</sup> Address of the President of the Kyrgyz Republic, Kurmanbek Bakiev to the People of Kyrgyzstan, 28 September 2006.

#### **List of References**

- 1. Akunov A., Kerimbaev Sh. Political Kyrgyzstan (Bishkek: IGUSI), 2001;
- 2. Baimatov B., Stakeeva B. Civil Society in the Kyrgyz Republic, Simon Hip, INTRAC. Bishkek 2002.
- 3. Gortat R., Democracy from Tyan-Shan mountains, Centre for Social and Economic Researches "Case", Warsaw, December 1996, www.case.com.pl
- 4. Document of World Bank "Strategy for Assistance to Communities"
- 5. Donor organisations and foreign aid rendered to the Kyrgyz Republic, Kyrgyzstan and donors, www.president.kg
- 6. Achievements, difficulties and perspectives for NGO development or Tomorrow will be better than yesterday? Website http://www.sluzhenye.sandy.ru/sl/biblio/balab/statia.html.
- 7. Magazine "Third Sector", vol.2, June 2006, p. 69
- 8. Law of the KR of October 28, 1999, No.117 "On Credit Unions".
- 9. Imanaliev Muratbek. Party Construction in Kyrgyzstan, political parties in Kyrgyzstan. Bogatyrev V., Imanaliev M., Masaulov S., Khamisov V., Bekbolotov K., Public Policy Institute, Bishkek, 2006.
- 10. Information portal "Woman and Society", Open Women Line, www.owl.ru
- 11. Kara-Murza G., Soviet Civilization, vol. II Soviet state in perestroika period (1985-1991)
- 12. Karybaeva M., vol. 2 "Third sector", June 2006
- 13. Kasybekov E., On question of efficiency of NGO. "Third Sector" magazine.
- 14. Kasybekov E., vol.1 "Third Sector", September 2005
- 15. Knyazev A., Will Public TV ensure pluralism. http://www.open.kg/ru/analitika/open\_xpress\_analysis
- 16. Koichuev T., Mokrynin V., Ploskih V., "Kyrgyz and their Ancestors, 1999, Bishkek: Raritet Info.
- 17. Constitutional Law of European countries: Manual for students of law universities and faculties. Kovachev D.A., M. Wolters Kluver, 2005.
- Lucy Earl, Fozilhodjaev B., Tashbaeva Ch., Jamankulova K. "Development of Communities in the Republic of Kazakhstan, Kyrgyz Republic, and Republic of Uzbekistan: Experience and Lessons Learnt", INTRAC, 2004, p. 20
- 19. Materials of Internet portal of the State Customs Inspection under the KR Government, www.customs.kg
- 20. Materials of Internet portal of Extractive Industries Transparency Initiative in the KR www.eiti.to.kg
- 21. Materials of Research Projects INTRAC "Civil Society in the Kyrgyz Republic", 2002.
- 22. Materials of Conference "Modern Women Movement: Ideologies, Practices, and Perspectives", September 18 -20, 2006, Bishkek
- 23. Matikeeva S., Cholponkulova A., et al "Consultations of Government Bodies with Citizens in the Kyrgyz Republic". Materials of DFID "Public Finance Reform" Project, June 2005, p.15-16
- 24. International Conference "Modern Women Movement: Ideology, Practices, and Perspectives", September 2006, Bishkek
- 25. Mellon T., NGO in Kyrgyzstan, Review, June 1998. INTRAC.
- 26. Melnikov T.E. New Procedure for Registration of Public Unions "Lawyer" magazine, 2002, №11.
- 27. Muratova A.M., "New Stage in Development of Civil Society: We Speak About Access to Resources and Protection of Economic Rights". Collection of articles "Interbilim" "Civil Society and NGO of Kyrgyzstan: Outward Glance", Bishkek 2005, p.51
- 28. Not-for-profit Law (Handbook) / Editor N.A. Idrisov, U. Yu. Pak, Bishkek, DEMI, 2006
- 29. Non-governmental organisations main element of civil society. Birimkulov D.K., Collection "Civil Society and NGOs of Kyrgyzstan: Outward Glance", Interbilim, Bishkek, 2005, p. 67
- 30. New stage in development of civil society: We Speak About Access to Resources and Protection of Economic Rights / Civil Society and NGOs of Kyrgyzstan: Outward Glance. Interbilim, Bishkek, 2005. p. 51
- 31. NGO in Kyrgyzstan. National Human Development Report, UNDP, 1999, 2000, Reviewed by INTRAC, 1998
- 32. Omarov N., "Third Sector" magazine, No.3, December 2006
- 33. Omarov N., A year of big hopes, testing and disappointments, March 23, 2006, www.apn.kz.
- 34. Report on Survey "NGO of Kyrgyzstan: facts and figures, ACSCS, Bishkek, 2006

- 35. Evaluation of capacity of non-governmental sector in Kyrgyzstan. Project "NGO capacity building in Kyrgyzstan", "Gender in Development" Office, UNDP, Bishkek, 1999
- 36. Regulation on bodies of territorial public self-governance, approved by Resolution of the KR Government of October 10, 2001, No. 625.
- 37. Letter of the President of the Kyrgyz Republic Bakiev Kurmanbek to people of Kyrgyzstan of September 28, 2006
- 38. Manual for NGO leaders "Efficient Leadership and Management of Not-for-profit Organisations", Associations of CSCS, Bishkek, 2006
- 39. Development of non-profit Sector of Kazakhstan, Part 1., "Organisation" magazine, №2 (8) 2002. http://www.idc.nursat.kz/?uin=1043904714&chapter=1044268477
- 40. Sasykbaeva A., NGO as a part of Civil Society of the Central Asia, Bulletin of International Centre for Training and Research in NGO sector, No.5 (24), May 2003. NGO sector as a factor of stability in the society. K. Moldogazieva, "Third Sector" magazine, vol. 1, September 2005, p.63
- 41. UN System in the Kyrgyz Republic, General Country Assessment, 2003, p.70
- 42. Soodanbekov S. S., Ukushev M.K., Constitutional Law of the Kyrgyz Republic (General and Specific parts), Bishkek, 2001, p.210
- 43. Stakeeva B. "Confrontation or Cooperation", Interbilim, collection of articles "Civil Society in Kyrgyzstan: Problems and Perspectives", p. 30
- 44. Sultanbaev E., "Ten Years of Development. What do we have?" Civil Society in Kyrgyzstan: Problems and Perspectives, collection of articles, Interbilim, Bishkek, 2003
- 45. Tretyakova A., Civil Society and Power: Culture of Relations, Institute of Humanitarian Designing.
- 46. Tretyakova A., Civil Society and Power: Culture of Relations. "Third Sector" magazine, vol1, September 2005, p. 38
- 47. Tretyakova T., NGO as a resource for formation of civil society. Third Sector, Vol.1, September 2005, p. 59
- 48. Ubysheva E., Responsibility, Transparency and Accountability in Non-governmental Sector as a Factor for Democracy Development. Third Sector magazine. No. 2
- 49. Simon Hip, Civil Society: Relations with State. INTRAC, 2002, Series of translation 04. Materials of Regional Conference "Building Civil Society in Central Asia: international and local", June 13-14, 2002, Almaty City
- 50. Chinaliev U., Peculiarities of Formation of a Civil Society in the Kyrgyz Republic, M. 2001. p.44-45
- 51. Cholponkulova A., Public and Government Dialogue in Kyrgyzstan: Search for Efficient Interaction Forms. Initiative Centre, Bishkek, Kyrgyzstan
- 52. Fisher, Julie. NGOs and Political Development of the Third World, Kumarian Press, Connecticut, USA, 1998.
- 53. Giffen, Janice, Earle Lucy, Buxton, Charles. The Development of Civil Society in Central Asia. INTRAC NGO Management and Policy Series #17. UK, 2005.
- 54. Kasybekov, Erkinbek. Government and Nonprofit Sector Relations in the Kyrgyz Republic, Kyrgyzstan National Study, IRI, Baltic Surveys/The Gallup Organisations, October 2006
- 55. Ruffin, M. Holt and Waugh, Daniel Civil Society in Central Asia, Centre for Civil Society International, The Central Asia-Caucasus Institute, John Hopkins University, University of Washington Press, Seattle, 1999

# **Glossary of Noncommercial Sector Terms**

**Association**: voluntary union of organisations or persons for achieving a common economic, scientific or any other goal or for coordination of work and concentration of forces and means.

**Audit**: **A.** Inspection of a Programme and results of marketing (advertising, PR) campaigns, investigation of reasons for failure or insufficient effect. The audit is carried out by highly qualified specialists on request of a Client or Agency **B.** Control over circulation, accurate date-lines, duration and periodicity of materials in electronic mass media means, reliability of ratings, and so on.

**Associated Foundation:** a foundation associated with a commercial structure that funds it's activities.

**Audio Mention**: mentioning of a name of sponsor during a TV or radio programme.

**Beneficiaries:** persons or a part of the society who benefit from the help of volunteers and/or from charitable donations

**Benefactors:** persons making charitable donations in various forms: unselfish (free-of-charge or on preferential terms) transfer of property, including funds and/or objects of intellectual property; unselfish (free-of-charge or on preferential terms) transfer of the right to own, use and dispose of any objects of property; unselfish (free-of-charge or on preferential terms) performance of works, rendering of services by philanthropists, and so on.

Charity Action: an event held for charitable purposes.

**Charity Association (Union):** a voluntary union of charitable public organisations, and foundations.

**Charity Activity:** voluntary activity of individuals and legal entities for free transfer or transfer on preferential terms of property to individuals or legal entities, including money, free performance of works, rendering services, or providing any other support.

**Charity Organisation (Union):** voluntary association of citizens who unite according to the procedure established by Law, on the basis of common interests for joint performance of charity activity.

**Charity Programme:** a set of activities aimed at solving specific tasks, which are consistent with the charity objectives of an organisation.

Charity Institution: a charity organisation created by an owner, who partially or fully funds the organisation and assigns property thereto with the right of day-to-day management for solving private charity objectives.

**Charity:** free voluntary contribution by individuals and legal entities of material, financial, organisational and other charitable help. Charitable Organisation does not determine pre-calculated benefit from its charity acts even if such benefit occurs. As opposed to sponsorship, charity can be hidden (secret or anonymous).

**Charitable Contribution:** donation to a charity organisation or contribution for charity purposes.

**Charitable Foundation:** public noncommercial organisation established by individuals and/or legal entities on the basis of voluntary property contributions, having the major goal of funding different charitable (in a broad sense) programmes.

**Brand**: "trade name", name of a company, good, family of goods, service and so on, their individual and official trademark. A brand implies wide popularity of the object, its recognition and uniqueness among the broad target audience, and significant value of the object among consumers. In other words, this is a correctly and efficiently formed object personified primarily in its name (brand). The following terms are often used: brand name (wording of a brand); brand image (visual image of a brand); brand loyalty (being committed to a brand); brand equity (dignity of a brand, its trade reputation).

**Branding**: process of brand creation, strengthening and support. The process includes joint impact of all elements of trade dress, all types of marketing communications (advertisements, PR, sales stimulation, direct letters), personal communication and sponsorship.

**Radial Posting:** one of the methods of collecting donations where a large circulation of standard letters is sent to addresses taken from a database (for instance, from Yellow Pages).

**Venture Philanthropy:** a type of support when a donor contributes not only significant funds, but time, intellectual and other resources into long-term partnership relations with a selected organisation for the purpose of achieving specific tangible results in the short run.

**Involvement**: intensive nature of consumer interest in a good, mediator or message.

**Volunteer:** (a) a citizen engaged into charitable activity in the form of free labour for the interests of beneficiary, including for the interests of a charitable organisation; (b) a person, who is doing public benefit work freely, without any coercion, following his/her personal interest.

**Annual Report:** a written document published annually and containing a description of the goal of an organisation, data about programmes, activities and achievements; justification of the right of an organisation to receive relevant contributions; information about the governing body and structure; the financial report of an organisation for a year, reflecting the amount of funds attracted, material resources and services received in monetary terms, as well as spending for the last financial year.

**Civil Initiatives:** a form of collective self-organisation of citizens for mutual help or protection of their interests in the political, economic and social areas. Civil initiatives are based on personal contacts, full voluntary and free participation in case of lack of formal membership, hierarchical organisation and differentiation by social, party membership and other features.

**Civil Society:** is a democratic form of self-organisation of the society outwith the state and market.

**Grant:** targeted means provided to charitable organisations on a free-of-charge basis by individuals and legal entities for implementation of charitable programmes, carrying out scientific and other research studies, training, medical treatment, or other publicly useful goals, with subsequent reports on their use.

**Matching Grant**: grant provided if a grantee finds a part of the funds for implementation of the Project proposed for funding.

**Corporate Grant:** grant for implementation of a Project where a group of organisations, one of which is the lead agency, is involved.

**General Purpose Grant:** grant for the running costs of a noncommercial organisation and spent mainly for administrative needs.

**Target Grant:** a grant ensuring implementation of a specific project; it can not be used for other purposes or other projects.

**Grant-Maker**: organisation providing a grant.

**Grant Agreement:** an agreement between donor and recipient reflecting the procedure and terms of the Project's funding.

**Self-Help Group:** a group of people with common problems and united for moral or practical support of each other

**Humanitarian Aid (Assistance):** free aid granted for medical and social assistance to poor, socially vulnerable groups as well as victims of natural disasters and other emergencies for alleviating consequences of natural disasters and other emergencies, transportation costs, escorting and storage of the humanitarian aid.

**Humanitarian Cooperation:** one of central areas within the system of international relations whose goal is to preserve life on Earth, cooperate in struggles with diseases and hunger, overcoming illiteracy, and dissemination of recognised international standards in education and training of children and teenagers.

**Gift:** free-of-charge transfer of money or property to citizens or organisations.

**Voluntary Organisation:** public organisation where all employees work on a voluntary basis.

**Agreement with Volunteer:** a contract that formalises relations between a volunteer and an organisation. An agreement with a volunteer differs from a labour agreement or contract because of its civil law nature. It is recommended to sign such an Agreement if long-term cooperation with a volunteer is envisaged.

**Donor:** individual or organisation that makes contributions or awards grants. Charitable foundations, banks and large companies often act as donors. Synonyms are contributor, benefactor.

**State Donor:** state institution funding a non-commercial organisation from the state budget.

**Donor-Mediator:** noncommercial organisation receiving means from other donors and allocating the funds among noncommercial organisations.

**Private Donor:** a private organisation, foundation, or individual who collect donations from citizens or commercial structures, and allocate them among noncommercial organisations.

**Application:** written request for grant award or rendering any other assistance.

**Noncommercial Organisation Property:** buildings, facilities, housing, equipment, inventory, money, securities and other property, as well as land plots owned or granted for perpetual use for property or day-to-day management.

**Initiative Group:** a group of like-minded persons who start implementing an initiative.

**Integrated Marketing Communications**: practice of unification of all tools of marketing communication, starting from advertising, ending with packaging, for sending consistent and persuasive messages that would contribute to implementation of a Company's goal, to the target audience.

**Executive Director:** one of the highest officials of an organisation who is responsible for daily supervision of the organisation and implementation of decisions of the highest governing body of managers of the organisation.

**Capital:** financial means allocated in the form of charitable donations, owned in trust by a Company in constant form. The capital consists of assets accepted on the terms that the major part thereof is retained and that capital is invested in order to create a resource of revenues in the interests of an organisation.

**Grant Tender:** a process including duly organised invitations for tender proposals following preliminary established criteria, as well as selection and further funding of some proposals. There are closed-type tenders, regional tenders, current tenders, prize tenders, first grant tenders, one-stage and multi-stage tenders.

Conflict of Interests: a situation where a member of the Board, expert or staff member of an organisation has direct or indirect financial or personal interest in a positive or negative decision about a project proposed.

**Coordinator:** an official responsible for coordination of all parts of one single programme or activity; an employee of an organisation responsible for interaction with volunteers.

**Corporate Grant Programme:** grant programme developed and administered by a commercial Company. Grants and donations are made from the budget of the Company.

**Corporate Social Responsibility, CSR:** responsibility of a Company acting in capacity of Employer, business partner, "citizen", or member of a community (boundaries of the community are defined by the geographical scope of the Company's activity: it could be district, city, country or world); a part of constant strategy of a Company on expansion of its presence in the society and its business development; a possibility to exert positive impact on the community, where the Company works.

**Corporate Philanthropy:** provision of various resources by a Company (Corporation) for support of publicly important initiatives of citizens or organisations that do not pursue commercial goals.

**Corporate Citizenship:** ethical way of doing business, management of relations between a Company and a community at all levels, from local to international.

**Cosponsors**: sponsors of same category sponsoring an event.

**Lobbyism:** impact on the legislature and governmental officials in favour of a decision in adopting laws, placing state orders and so on.

**Marketing**: activity in the market, doing business in the market (goods, services, ideas and images). In more details: realised activity on provision of goods and services to the population and organisations in need of these goods and services. The major objectives of marketing are to study and form demand and sale stimulation that can be achieved through marketing communications.

Cause Marketing: support strategy inking the name of a sponsor Company to events that solve public problems with expectations that association with the event will result in positive public opinion about the Company. The sales strategy of a Company is usually associated with noncommercial organisations: a sponsor offers the noncommercial organisation a donation if the NGO will buy goods or services from the sponsor. In contrast to charity, funds spent for cause marketing do not constitute a donation, it is more investment as it implies investments return.

**Sports Marketing**: support strategy linking name of a sponsor Company with sports (sponsorship of sports competitions, teams, leagues, and so on).

**Arts Marketing**: support strategy linking name of a sponsor Company with visual or performance arts (sponsorship of symphony concerts, museum exhibitions, and so on).

**Business-to-Business Marketing**: Company programmes aiming to work with other producers (creating recognition or initiation of purchase).

**Venue Marketing**: support strategy linking name of a sponsor Company with a certain place (sponsorship of stadia, arenas, tracks, exhibition centres, and so on).

**Mission Marketing**: an activity linking the mission of a Company with charitable activities and funding thereof for a long period of time.

**Municipal Marketing**: support strategy linking name of a Company with public services and public activity (sponsorship of parks, leisure facilities, libraries, andso on).

**Relationship Marketing**: type of marketing under which long-term relations with consumers and other types of stakeholders are built, including through programmes to increase loyalty.

**Direct Marketing**: interactive system of marketing that allows consumers to obtain information and purchase a product with the help of mass media.

**Tribal Marketing**: a term that is primarily applied to creation of family groups for commercial purposes. Perhaps one of the most famous and successful examples is Harley Davidson that combined the sale of motorcycles and accessories with the creation of Sunday Clubs for motorcycle fans and formed a new lifestyle around Harley-Davidson goods. Tribal marketing works best when it is continuously supported by visual advertising.

**Co-marketing**: programs through which producers cooperate with retail sellers for joint promotion of a product.

**Event Marketing**: support strategy linking name of a sponsor Company and their brand with certain events in order to create an example for consumers and association of the brand with a certain way of life. Usually this term is used as a synonym for the word "sponsorship", however it is preferable to use the term "event marketing" as not all sponsorship includes sponsorship of a single event.

**Market Research, Analysis**: collection and analysis of target audience within the context of sponsorship. Traditional sociological psychological methods of research are used: notably surveys, observation, content analysis, examination of personal documents, natural and laboratory experiments, focus groups, tests and so on). Marketing analysis may and should be conducted to forecast and evaluate sponsorship efficiency.

**Market Communication**: major efficient means of communication, communication of a seller with the target audience (consumer), including advertising, sales promotion, direct marketing, direct mail, PR, participation in mass commercial actions, exhibitions, personal sales and packaging. In marketing practice these types of communications interact as one of the tools of combined marketing communications that are able to gain popularity among end-users.

**Marketing Surplus**: theory developed by David Court McKinsey according to which success is not defined by market share, but rather by any actor in a transaction (raw material supplier, producer, retail seller and consumer) who has the largest quantity of surplus or profit received at each step of the process. As the market gets saturated, marketing surplus moves towards the consumer.

**Media Planning**: development of an optimal plan for placing advertising and other informational materials in mass media outlets on the basis of marketing research. Media planning also takes into account data on circulation of print media; regions of broadcasting of radio and TV channels; reliable rating of mass media outlets, specific programmes and columns; and so on.

Event (Property, Sponsee): short-term unique event suitable for sponsoring (usually in sports, arts, organised events, entertainments, and so on)

**Patron:** a person with power and/or wealth, who patronises and provides material support to artists or to specific artistic projects.

**Patronising:** voluntary free-of-charge activity of individuals rendering material, financial and other type of support for beneficiaries;

Mercy: active sympathy and specifically expressed kindness toward those in need and poor people.

Mission: aggregate of principal goals of an organisation, explaining its existence and scope of activity.

**Monitoring:** continuous oversight over implementation of a project, programme and so on.

**Noncommercial organisation:** legal entity whose goal is not profit-making for the sake of distribution of profits among founders and members organisation as income.

**Noncommercial (third, not-for-profit) Sector:** associations of persons for solving issues or implementing socially important ideas for non-profit-making purpose.

**Object of Sponsoring:** specific persons or groups of persons who receive sponsorship support in a sponsored event.

**Charitable Organisation Passport:** a document confirming the charity status of an organisation. Such status gives the charitable organisation and donors the right to receive tax and other breaks pursuant to legislative and normative acts.

**List of Sponsor Possibilities:** a set of tools, with the help of which a sponsor can gain market advantage by disseminating information about itself during an event (press, print media, electronic media, mail advertising, outside advertising, transport advertising, advertising in sales places, advertising events and actions, advertising during mass actions, inter-personal communication).

**Editorial Coverage**: presentation of a project in print media, including acknowledgement of sponsor.

**Pilot Project:** a project to verify the feasibility and efficiency of a new model or technology on an experimental platform.

**Donation:** granting a thing or rights for publicly beneficial purposes. Donations can be granted to citizens, medical institutions, schools, social protection bodies, charities, scientific and educational institutions, funds, museums and other cultural institutions, public and religious organisations.

**Material Donation:** non-monetary gift, a donation in the form of equipment, materials, food products and other property or services.

**Targeted Donation:** donation made for a specific purpose that has to be used exclusively for this purpose.

**Positioning of a Product/Service**: determination of the most accurate and persuasive image of a product or service on the basis of marketing research comparing similar offers of competitors. The image selected is spread among the target audience in the course of an advertising campaign and other marketing actions. Positioning can become an initial stage of branding. In sponsoring, positioning of an event as an original product is carried out for its presentation to potential sponsors.

**Trustee:** a person who always cares about an issue that influences social problems. As a rule, members of Boards of Trustees are called this.

**Board of Trustees:** a specially created body that monitors the activities of an organisation, develops recommendations and advises and sometime helps financially and with connections.

**Board:** elected body, heading a Fund and with big powers, starting from approval of working strategy, budget and specific programmes, and ending with decision making regarding funding of certain projects and control over administrative expenses of an organisation.

**Advertising**: informational activity of an impersonal nature related to development and promotion of goods, services, ideas, images, paid for by the designated advertiser for targeted impact on people or organisations in order to increase sales or for other purposes. Sponsorship contribution can be partial or full payment of advertising costs.

**Virtual Signage**: insertion of advertisement during TV broadcasting with the help of electronic means that was not actually present in the territory of the sponsored event.

**Signage**: flags, announcement boards, screens, electronic messages, announcements by anchormen and presenters, and so on, any mentioning of a sponsor in the territory of the sponsored event.

Out-of-Home Advertising: advertisement that reaches the audience within the context of its daily environment.

**Direct Mail**: type of advertisement when offers to potential consumers are sent by mail.

**Social Advertising**: type of advertisement that represents public and state interests and that is aimed at achieving charity goals. Commercial organisations and individual businesses should be mentioned in social advertisement, as well as specific trade marks that are result of business activity of noncommercial organisations. Business activity of legal entities and individuals on production and dissemination of social advertisement on a free of charge basis, as well as transfer of the indicated goals shall be deemed charitable activity and shall be subject to benefits stipulated by the legislation (Article 18, Federal Law of the Russian Federation *On Advertisement* of June 14, 1995).

Advertising Campaign: a complex of advertising (and other communication) material developed in accordance with marketing concept, aimed at consumers of goods (services) that represent specific segment of the market in order to induce relevant reaction (behavioral pattern) contributing to implementation of major tasks of an advertiser. Advertising campaign can be a part of sponsorship package and is implemented by sponsor or advertising agency.

Advertising Concept: a document issued to a Client (advertiser) containing goals, tasks and specific actions of a sponsorship agency on development, planning and conduction of campaign. Apart from goals and tasks, the concept includes market analysis, techniques and areas of market segmentation and positioning of a product, as well as analysis of specific environment and possible YTII. The concept is approved by a Client and serves as a basis for joint work and results evaluation.

**Advertising Agency**: an organisation performing creative and technical works, planning and conduction of advertising campaigns, as well as placing (dissemination) of advertisement in mass media means and through other means upon order of an advertiser. The Agency receives remuneration from advertiser and owners of mass media means (mediation or commission discounts).

**Advertiser**: a person or organisation that act as initiators of advertising process (ordering advertising products and services for dissemination thereof by an advertising agency and paying the whole complex of works). Advertising products can be produced by an advertiser or jointly with an Agency. Advertiser may simultaneously be a sponsor paying for advertisement stipulated by sponsor gradation. Sponsorship of an event decreases costs of an advertiser.

**Reputation**: general public evaluation of a Company based on introduction of its procedure, policy and actions.

**Resource Centre (For NCO Support):** noncommercial organisation that acts as basic consultative, informational and training centre for other noncommercial organisation in the region.

**Collection of Charity Donations:** any direct or indirect application for money, property, loan, voluntary services or other values that are given immediately or with delay under a condition that they will be used for charity, educational, religious, patriotic, civil and other philanthropic goals.

**Donations Collector:** a volunteer or person hired by noncommercial organisation for collecting donations for this organisation or engaged in this type of work on a voluntary basis upon assignment of an organisation.

**Public Relations (PR)**: a type of marketing communication that implies targeted formation of a desirable image of an organisation, product, brand, service, idea, person and etc. in public perception or in perception of important groups (targeted audience). Such rise of an image may damage the image of a competitor. Comparing with advertising, PR (posting materials in mass media) is not paid, at least openly. Besides, its effect can be quantitatively calculated. Sponsorship may be considered as one of PR types, primarily in term of creation or selection of an event that will become informational reason for PR-action.

**Market Segmentation**: analysis (division) of market of possible consumers into groups by features important for consumption (regional, demographic, social and psychological) for identification of target audience, i.e. a market segment where a probability of a product purchase (demand in service) is especially high.

**Slogans**: advertising slogan, rememberable phrase advertising a product. It is used during the whole advertising campaign.

**Co-Applicant:** organisation or person applying to the Fund with an official request to allocate means.

**Social Activity of a Company:** a complex of measures on implementation of corporative social responsibility, noncommercial activity of a Company, for instance, in the area of charity, culture and education support, environment protection.

**Social Advertisement:** – an advertisement that represents public and state interests and aimed at achieving charity goals.

**Social Partnership:** 1) constructive and mutually beneficial cooperation between three sectors of the society, i.e. state structures, commercial enterprises and noncommercial organisations in order to solve problems in social area in the interest of the whole population or its specific groups, living in the given

territory; 2) system of dialogue among employees (representatives of employees), employers, state bodies, local self-government bodies, aimed at ensuring consistency of interests of employees and employers regarding the issue of regulation of labor relations and other directly associated relations.

**Social Assistance** (Social Support): support in monetary and/or in-kind form provided with consideration of statutorily defined social welfare guarantees. Social support is provide at the expense of local authorities, enterprises, extra-budget and charity funds in order to render differentiated assistance to poor people, unemployed and/or disabled citizens and families with children.

**Socially Responsible Business**: commercial organisations that actively participate in the life of the community, contributing its forces and means into socially important projects.

**Social Report** – a document on evaluation of public impact of a Company.

**Sponsor**: A. A legal entity that pays sponsorship fee to organizers of a selected event for the right to promote itself, goods and services thereof in collaboration with the given Project. B. A sponsor making not less than 10% of total attracted sponsorship funds.

**Sponsoring**: a single act of sponsoring. Correct use: Alfa Company sponsored Cultural Heritage program". See, sponsorship

**Primary Sponsor**: **A.** In U.S. terminology, sponsor making the largest contribution and in return getting preemptive right to broad coverage in mass media means. **B.** In Russian terminology, sponsor making not less than 50% of total attracted sponsorship funds.

**Sole Sponsor**: a Company that made such sponsorship fee (100% of total attracted sponsorship funds) which allowed it becoming the sole sponsor of an event.

**Media Sponsor**: typically TV and radio stations, print and electronic mass media means, owners of outside advertising, advertising agencies that offer the sponsored project their resources in the form of money or more often in the form of advertising time or venue in return for their official designation as media sponsors.

**Official Sponsor:** sponsor making a contribution not less than 25% of total attracted sponsorship means.

**Official Sponsor by Category:** sponsor making its fee in the form of money, goods or services by one of the categories pursuant to the sponsoring structure. The name of a sponsor will depend on the category chosen (Official Drink, Official Communication, Official Insurance Company, and etc.). This status is usually lower than the level of official sponsor and accordingly benefits are less.

**Presenting Sponsor**: sponsor whose name is presented immediately prior to or after the name of the sponsored project, for instance: Exhibition of Works of British Artists, Martin Parr is presented by British Council or Europe Plus present concert of A-HA. The name of the event (project) and the name of the sponsor are usually divided by the words "presents" and "is presented". Usually if there is presenting sponsor, position of a general sponsor is not applied.

**In-Kind Sponsor**: sponsor making its sponsorship fee in full or in part in the form of goods and services (usually in-kind) for organizing an event (such as ensuring lightning, sound and etc.).

**Title Sponsor**: name of a sponsor is present in the name of the sponsored event. For instance, Hockey Cup of Baltika Brewery. Typically, in case there is a title sponsor, position of a general sponsor is vacant.

**Sponsoring**: technology ensuring efficiency of sponsorship. It includes consultations of an organizer of event regarding creation of conditions of sponsorship participation, development of sponsorship package, selection or organizing event upon order of a potential sponsor, conduction and/or control of PR and advertising campaign of a sponsor under a specific event, preparation of reports on sponsor's participation in a Project.

**Sponsorship Support:** 1. Business relations between supplier of means, resources or services and an individual, event or organisation that offer certain rights and cooperation that can be used for achieving specific commercial advantage (Sleight, S. (1989). Sponsorship: What It Is and How to Use It, Maidenhead: McGraw-Hill, 4); 2. Business relations between organisation (or person) that represents means, resources or services and an individual, events or organisation that in return offer certain rights and associated link therewith that can be used by a sponsor for profit-making.

**Event Sponsorship**: sponsorship support of sports, cultural, social and other events.

**Broadcast Sponsorship**: a form of sponsorship activity, the object of which is TV and radio programs.

**Sponsorship Fee**: contribution (in the form of property, results of intellectual activity, services and works) provided by a sponsor to organizers of an event (project) for the right to officially bear the status of a sponsor.

**Sponsorship Package:** a list of sponsorship possibilities offered to a specific sponsor in accordance with the structure of sponsorship within the framework of a specific event.

**Sponsorship Effect:** correlation of goals of the planned action (indicated in the concept) and the achieved result. As sponsorship effect is made of social importance of the action, its level of conduction, correct advertising and PR campaigns, it can not be expressed in accurate quantitative form, which is in principle possible for advertising campaign.

**Sponsorship Agency:** a company specializing in consulting, management, mediation or organizing sponsorship of an event. The agency works with sponsors and organizers of a Project seeking sponsors.

**Sponsorship Offer:** a system-based set of legal, creative, program, financial and design documents giving full picture of an event.

**Sponsorship**: making by a legal entity or individual (sponsor) a contribution (in the form of transfer of property, results of intellectual activity, rendering services, and performing works) into the activity of other legal entity or individual (sponsored) on the terms of dissemination of advertisement by the sponsored about a sponsor and products thereof. Payment for advertising can be deemed as sponsorship contribution. Sponsor does not have the right to interfere with the activity of the sponsored (Article 19, Federal Law of the Russian Federation On Advertising of June 14, 1995)

**Sponsorship** (television): funding of programs on the basis of agreement with advertiser.

**Category Exclusivity**: right of a sponsor to be the only company, whose specific products or services will be associated with the event being sponsored.

**Sponsor Participant:** participating sponsor, sponsor contributing up to 10% of all attracted sponsor means.

**Stakeholder**: an interested person within the organisation (President, Director, staff member, and etc.) or outside it (clients, sponsors, and others).

**Sponsoring Structure:** degree of sponsor participation in funding or any other form of the Project support. The following gradations are the most popular: A. Patron – payment of 1000% of total cost of a Project; B. General sponsor – payment of 50%; C. Official Sponsor – payment of 25%; D. Official sponsor by categories (i.e. technical); F. Information Sponsor; F.Sponsor – not less than 10%; G. Participating Sponsor – up to ten % of total cost of a project.

**Speciality Advertising, Premiums**: a tool for sale promotion which usually consists of placing a name of the Company on some things that are disseminated as a reminding tool (calendars, pens, mugs, matches and etc.). In sponsorship, souvenir products published especially for showing participation in the project (upon order with names and logos of sponsors and an event being sponsored).

**Technical Assistance:** a type of free assistance (aid) implemented in the form of programs, projects, equipment and technologies supplies provided by foreign organisations and Governments and aimed at promoting reforms in the country.

**Recognition**: an ability to subconsciously recollect information heard or seen about certain product.

**Participants of Charity Activity:** citizens and legal entities carrying out charity activity, including through the existing support or creation of new charity organisation, as well as citizens and legal entities in whose interests the charity activity is being performed, such as donators, volunteers and beneficiaries.

**Fundraising:** organised search or collection of financial and other funds and donations to implement socially important projects, programs and actions or support of socially important institutes.

**Philanthropy:** financial support of noncommercial event or organisation with no commercial profit. Please, see Charity.

**Philanthropic Activity:** the same activity as charity.

**Financial Sustainability:** ensuring diversified or various sources of income that allows avoiding full dependency on limited number of funding sources.

**Corporative Identity**: distinguishing features of the whole activity of a Company or actions thereof in the area of marketing. Corporative identify starts with artistic and graphic execution of documentation. Then it continues in the form of design of a premise and clothing. Corporative identify is further developed in the style of texts, style of management, business style, and style of a life of a Company and its employees. Corporative identity is the most important section of PR; therefore it is important for sponsoring.

**Focus Group**: a method of study of small group perception for dissemination results among broader audience. The method is borrowed from experimental psychology. The method consists of serious of group interviews with a group (groups) of 7-10 people having specific characteristics, representing bigger group. The method requires high professionalism in psychology and sociology. It also allows checking attitude to a product, service, advertisement, specific advertising and PR materials, as well as identifying methods of consumption, value of brand and etc.

**Fund:** a noncommercial organisation free of membership, established by citizens and/or legal entities on the basis of voluntary property contributions and pursuing social, charity, cultural, educational or any other public benefit goals.

**Public Fund:** one of the types of charity foundations that uses state budget for awarding grants.

**Corporate Fund:** one of the types of charity foundations established at the expense of enterprises, corporations and any other legal entities.

**Local Communities Fund:** organisation that awards grants for charitable goals within a specific community or region.

**Public Foundation:** one of the types of noncommercial foundations represented by public organisation free of membership, the goal of which is to form property on the basis of voluntary contributions and other receipts not prohibited by the Law and use of the property for publicly useful goals.

**Private Fund:** one of the types of charity funds that manage funds (usually obtained from one source that can be represented by an individual, family or corporation) through authorized persons or director in order to pursue educational, social or any other charity activity that serves for the benefit of the society.

**Form of Event:** name of an event that reflects its essence (festival, show, concert, contest, exhibition and etc.).

**Target Audience**: many people (and organisations) that would be covered by all types of marketing communications on project to be sponsored. For sponsoring purposes target audience include people and organisations, who will be informed about the event to be sponsored through different means, as well as about the fact and degree of participation of a specific sponsor in the event. Synonym: Audience.

**Target Group**: in case of conduction of any mass activities target group includes direct participants of such activities, audience, visitors, guests and etc., many people, who perceive action in the place of the event, rather than through mass media and other types of information dissemination. Target group is much smaller than target audience. Yet when there is certain composition of target group in place (specialists, fans, VIPs), sponsor effect can be rather high.

**Economic Sources of Social Protection:** means of taxpayers (state budget); insurance funds of employers and employees; public and private charity.

**Expert:** a specialist giving experts' assessment of an issue.

### **Informational Resources for Nongovernmental Organisations**

# FOUNDATIONS, INTERNATIONAL MISSIONS, INTERNATIONAL AGENCIES WORKING IN THE KYRGYZ REPUBLIC

- 1. Information resource for donor activity in the Kyrgyz Republic → http://www.donors.kg
- 2. U.S. Agency for International Development (USAID) → http://centralasia.usaid.gov/
- 3. European Commission Delegation in Kazakhstan, Kyrgyzstan and Tajikistan → <a href="http://www.delkaz.cec.eu.int">http://www.delkaz.cec.eu.int</a>
- 4. World Bank Mission in Kyrgyzstan → <a href="http://www.worldbank.org.kg">http://www.worldbank.org.kg</a>
- 5. International Monetary Fund Kyrgyzstan → http://www.imf.kg/rus/
- 6. United Nations Development Programme (UNDP) in the Kyrgyz Republic → www.undp.kg
- 7. European Bank for Reconstruction and Development (EBRD) Kyrgyz Office → http://www.donors.kg/ru/donors/ebrd
- 8. Asian Development Bank (ADB) Permanent Mission in the Kyrgyz Republic → http://www.adb.org/kyrm/
- 9. German Technical Cooperation Agency (GTZ) in the Kyrgyz Republic → <a href="http://www.donors.kg/ru/donors/gtz">http://www.donors.kg/ru/donors/gtz</a>
- 10. Department for International Development (DfID) of the United Kingdom in the Kyrgyz Republic → <a href="http://www.donors.kg/ru/donors/dfid">http://www.donors.kg/ru/donors/dfid</a>
- 11. Swiss Cooperation Office in the Kyrgyz Republic → http://www.swisscoop.kg
- 12. Japanese International Cooperation Agency (JICA) Kyrgyz Mission → <a href="http://www.donors.kg/ru/donors/jica">http://www.donors.kg/ru/donors/jica</a>
- 13. Eurasia Foundation Central Asia → <u>www.efcentralasia.org</u>
- 14. Urban Institute → http://www.ui.kg
- 15. International Research and Exchanges Board in the Kyrgyz Republic (IREX) → www.irex.kg
- 16. Soros Foundation Kyrgyzstan  $\rightarrow$  www.soros.kg
- 17. Counterpart Kyrgyzstan → http://www.counterpart.org.kg/Russian/home/
- 18. International Centre for Not-for-profit Law → <a href="http://www.icnl.org">http://www.icnl.org</a>
- 19. International Fund for Election Systems Kyrgyzstan → <a href="http://www.uxop.org/Kyrgyzstan/RUS/index.htm">http://www.uxop.org/Kyrgyzstan/RUS/index.htm</a>
- 20. Academy for Education Development → http://www.aed.kg/

#### WEBSITES, INFORMATION RESOURFCEDS OF KYRGYZ NGOS

#### **Information and enquiry resources:**

- Central Asian Gateway → http://www.cagateway.org/
- Toktom Information Centre. Legislation of the Kyrgyz Republic → http://www.toktom.kg
- Chamber of Tax Consultants of Kyrgyzstan → <a href="http://www.nalogi.kg">http://www.nalogi.kg</a>
- People's Assembly of Kyrgyzstan → <a href="http://www.assamblea.kg/">http://www.assamblea.kg/</a>
- Catalogue of NfPOs of Kyrgyzstan → http://www.cango.net.kg/db/kg/
- Internews public union → http://www.internews.kg
- Association of Centres for Support of Civil Society → http://www.acssc.org.kg/
- Agency for Development and Investing in Communities → http://www.aris.kg/
- Coalition for Democracy and Civil Society → <a href="http://www.ngo.kg">http://www.ngo.kg</a>
- Youth Human Rights Group http://www.yhrg.elcat.kg
- Justice Human Rights Organisation → http://www.justiceunion.org
- Free Generation Alliance of Liberal youth → http://www.birge.to.kg

- Institute for Public Policy → <a href="http://ipp.kg/">http://ipp.kg/</a>
- Open Kyrgyzstan → <a href="http://www.open.kg">http://www.open.kg</a>

# RUSSIAN WEBSITES, INFORMATION RESOURCES FOR NGOS

- Agency of Social Information → <a href="http://www.asi.org.ru/">http://www.asi.org.ru/</a>
- Virtual Resource Centre for Not-for-profit Organisations → <a href="http://www.trainet.org/">http://www.trainet.org/</a>
- Ecoline: Ecological Enquiry and Information Service → <a href="http://www.ecoline.ru">http://www.ecoline.ru</a>
- Fundrasing.Ru. Website of the Community of Professionals for Fund Raising → <a href="http://fundraising.ngo.ru/">http://fundraising.ngo.ru/</a>
- NGO.Ru. List of public Internet resources → <a href="http://www.ngo.ru/">http://www.ngo.ru/</a>
- Internet portal for Russian Charity → www.infoblago.ru
- Manuals and Methodical Materials on PR for the Civil Sector → <a href="http://www.good.cnt.ru/">http://www.good.cnt.ru/</a>
- Russian Donor's Forum → www.donorsforum.ru
- Website for problems of social responsibility of business supported by the Agency of Social Information → www.soc-otvet.ru
- Sponsorship Programme for Support of Social Important Events "Golden Heart" collection of information on sponsorship and charity in Russia → <a href="http://www.goldenheart.ru">http://www.goldenheart.ru</a>
- "Sponsor Projects" Information on Sponsor Projects in various sectors, analysis of sponsorship market, evaluation of independent experts in PR. → <a href="http://www.sponsorstvo.ru/">http://www.sponsorstvo.ru/</a>
- "Social Partnership" → <a href="www.spcenter.ru">www.spcenter.ru</a> Information on organisations. Description of activities: assistance to public and civil unions of Moscow in international with municipal and government administration
- NfPO taxation → <a href="http://nalognko.ru/">http://nalognko.ru/</a>
- Internet version of All Russian Scientific Magazine "PR in Russia" → http://www.rupr.ru/
- Corporative Press in Russia (or peculiarities of use of newspapers in PR) → http://www.presslab.ru/press/press2.html
- Rules of Behaviour of Speakers at Business Press-conference → http://www.presslab.ru/press/press3.html

#### - Electronic Libraries:

- Virtual Resource Centre for Not-for-profit Organisations > Electronic Library → http://www.trainet.org/resources/library/
- NGO.RU. List of Public Internet resources > Electronic Libraries and publications → <a href="http://www.ngo.ru/libraries.shtml">http://www.ngo.ru/libraries.shtml</a>
- NGO.RU. Programme of Support to Not-for-profit Sector > Electronic library of NfP → <a href="http://ngo.org.ru/ngoss/">http://ngo.org.ru/ngoss/</a>
- Public library of NfPOs → <a href="http://www.openlibrary.acdi-cida.ru/">http://www.openlibrary.acdi-cida.ru/</a>
- Creation Foundation > Library → http://www.fondsozidanie.ru/
- FOCUS → MEDIA > Library → http://www.focus-media.ru/library/
- Ecoline: Ecological Electronic Library → http://www.ecoline.ru/books/
- International Charity Fund of Likhachev D.S.: Internet →library "Research of Russian Charity and Not-for-profit Sector → http://bb.lfond.spb.ru

#### List of Not-for-profit Organisations

- NGO.RU. List of Internet resources
  - ➤ Not-for-profit and public organisations → http://www.ngo.ru/ngos.shtml
  - ➤ Databases and lists → http://www.ngo.ru/databases.shtml

• Yandex. NfPO: List of not-for-profit organisations of Russia → <a href="http://nko.yandex.ru/">http://nko.yandex.ru/</a>

# Centres for Support of Not-for-profit Organisations

- NGO.RU. List of Internet public resources > Resource Centres → <a href="http://www.ngo.ru/rc.shtml">http://www.ngo.ru/rc.shtml</a>
- Website of Union of Charity Organisations of Russia. Objectives of Project of
  Information website on charity: to systematise information on charity activity in Russia,
  ensure openness, transparency, and validity of information on problems of charity
  activity. → <a href="http://www.sbornet.ru/index.shtml">http://www.sbornet.ru/index.shtml</a>
- NfP School Fund → Fund for Development of Not-for-profit Organisations → professional support to civil initiatives → <a href="https://www.ngoschool.ru">www.ngoschool.ru</a>
- Siberian Centre for Support of Public Initiatives → <u>www.cip.nsk.su</u>
- List of Resource Centres of Russia → www.cip.nsk.su/p infor/rcs.html

# Websites of Regional Centres for NGO's Support:

- Siberian Centre of Support to Public Initiatives (SCSPI, Novosibirsk) → <a href="http://www.cip.nsk.su/">http://www.cip.nsk.su/</a>
- Centre for Development of Not-for-profit Organisations (Saint Petersburg) → <a href="http://www.crno.ru/">http://www.crno.ru/</a>
- Ural Centre for Support of Non-Governmental Organisations (Perm) → http://www.ngoural.perm.ru/
- Centre for Support of Not-for-profit Organisations (Moscow) → http://www.ngo.org.ru/cngos/
- Devotion Centre (Nizhnyi Novgorod) → <a href="http://www.sluzhenye.sandy.ru">http://www.sluzhenye.sandy.ru</a>

#### **Websites of Russian Funds:**

- Ericsson Training Centre, Moscow → http://www.mtuci.ru/ericsson/index-ru.htm
- Institute of Urban Economy → www.urbaneconomics.ru
- Charities Aid Foundation (CAF-Russia) British Charity foundation, Russian Representative Office → <a href="https://www.cafrussia.ru">www.cafrussia.ru</a>
- City charity Foundation "Moscow Charity Reserve" → www.mcf.ngo.ru
- IREX/Russia → http://www.irex.ru
- Civil Society Academy → <a href="http://academy-go.ru">http://academy-go.ru</a>
- Association of Young Leaders <a href="http://www.ayl.ru/">http://www.ayl.ru/</a>
- "The Good Without Borders" culture, education, information on charity and social protection, establishment and support of contacts between people and communities, direct charity. → <a href="http://www.good.cnt.ru">http://www.good.cnt.ru</a>
- Information Ecological Agency IEA → information ecological bulletin, ecological consulting, public environmental expert review, recruitment agency and so on. On NfP of the south of Kusbass → http://ineca.ru/
- Fathers and Children Russian Human Rights Organisation → http://www.orc.ru/~otcydeti/
- Rights and Children in Internet website for children to know their rights and ways for protection. → <a href="http://school—sector.relarn.ru/prava/">http://school—sector.relarn.ru/prava/</a>
- Human Rights in Russia human rights website. → <a href="http://www.hro.org">http://www.hro.org</a>
- Have right website of Krasnoyarsk human rights organisations, etc. Free legal aid may be obtained on the website → http://www.prava.cjb.net
- Foundation "World of Family" Mission of the Foundation "World of Family": to facilitate revival, stabilization and development of family in Russia as a fundamental of the society. <a href="http://www.fw.ru">http://www.fw.ru</a> <a href="http://www.fw.ru">http://www.fw.ru</a>:8101/Links/index.html

- Open Women Line Internet resource for women to facilitate expansion of free access of women to new information sources and develop information exchange between women organisations → <a href="http://www.owl.ru/">http://www.owl.ru/</a>
- Public Relations for not-for-profit sector → <a href="http://www.good.cnt.ru/pr.html">http://www.good.cnt.ru/pr.html</a>
- WWW.INVALID.RU website for patients and doctors. → <a href="http://www.invalid.ru/">http://www.invalid.ru/</a>
- Moscow Carnegie Centre → <a href="http://www.carnegie.ru/ru/">http://www.carnegie.ru/ru/</a>
- International historical and education human rights and charity society "MEMORIAL" → <a href="http://www.memo.ru/">http://www.memo.ru/</a>

#### **PERIODICALS**

 Yandex: NfP: List of not-for-profit mass media → http://nko.yandex.ru/?&sort=0&wd=yes&geo=0&id=10050

# **Newspaper of NGOs**

- "Devotion" of Volgo-Vyatskyi Centre for Support of Not-for-profit Organisations (Nizhnyi Novgorod) → http://www.sluzhenye.sandy.ru/vestnik/vestnik.html
- "For Common Deed": edition of Ural Centre for Support of Non-governmental organisations (Perm) → http://www.ngoural.perm.ru/newspaper/

#### **Information bulletins of NGO**

- "Vesti of SEU" (Centre for coordination and information of the Social and Ecological Union, Moscow) → http://www.seu.ru/seu→news/
- "Centres of Pluralism" (Institute of Democracy in Eastern Europe) → http://www.hro.org/editions/newsl/
- Information Ecological Agency IEA information ecological bulletin → http://ineca.ru/
- Subscriptions (Interregional Public Foundation, Siberian Centre for Support of Public Initiative, Novosibirsk) → http://www.cip.nsk.su/e lists/lists.html

# **NGO** magazines

- "Pchela [Bee]" (Saint Petersburg) → http://www.pchela.ru/
- "Women Plus" magazine....- the magazine publishes analytical and educational materials covering modern problems of the Russian society and disseminates experience of women civil initiatives → http://www.owl.ru/win/womplus/
- Magazine of Association of Centres of Civil Society Support "Third Sector" → http://www.acssc.org.kg/rus/journal/

#### **Charity Internet Projects**

- "Help Safe Children" → http://deti.msk.ru/
- "SOS. Server for emergency information assistance" → http://sos.vrn.ru/
- "SOS.RU"  $\rightarrow$  http://www.sos.ru/
- "Wait for Me" national service for people search → http://www.poisk.vid.ru/

#### **Examples of Sponsors and Charity givers**

- Bitel Company → http://www.bitel.kg/about/society/
- "Alfa Bank" (Moscow) > Charity → http://www.alfabank.ru/society/charity/
- Corporation "INCOM-immovable" > Charity → http://www.incom.ru/charity/

#### References on Foundations, News on Grants Competitions

- References to information on financing sources for not-for-profit organisations → <a href="http://www.cip.nsk.su/p">http://www.cip.nsk.su/p</a> infor/links.html
- Extensive database for grant giving organisations and new grants competitions. A possibility to subscribe for news subscription. → <a href="http://www.rsci.ru/allFonds.html">http://www.rsci.ru/allFonds.html</a>
- Encyclopedia of International Charity Funds and Organisations in electronic version. The funds are divided by support areas → <a href="http://www.sbornet.ru/17/funds.htm">http://www.sbornet.ru/17/funds.htm</a>

#### ENGLISH RESOURCES FOR NGOs

#### **Information and Reference Resources:**

- International Society of Third Sector Research (ISTR) → http://www.istr.org/
- Charity network CharityNet database for not-for-profit organisations of different countries on charity topic → www.charitynet.org
- Portal covering NfP activities → www.idealist.org
- Network of non-governmental organisations of Central and Eastern Europe → www.ngonet.org
- List of International NGOs → <u>www.ngo.org</u>
- List of international NfPOs → www.uia.org
- GrantCraft: Practical Wisdom for Grantmakers → <u>www.grantcraft.org</u>
- Website for charity and fundraising. The information on various grant foundations, seminars and information resources for NfP, useful advice for a fundraiser, help to find a fundraiser. → http://www.fundraising.co.uk/grants.html
- Information on programs of Centre of Foundations in English. Library of charity foundations, financing European organisations, feature stories and reference books→ http://www.fdncentre.org
- List of websites of independent funds working in Europe. → www.fundersonline.org
- Lists published by European foundations centre → www.efc.be;
  - o http://www.efc.be/projects/knowledge/ForGrantseekers.htm
- Council of Foundations → http://www.cof.org/main.html
- Foundations Online (USA, California) → http://www.foundations.org/
- The National Endowment for Democracy Sources of Funding in International Democratic Development → http://www.ned.org/dbtw-wpd/textbase/searchfunding.html
- International Grants & Founders: Fundraising & Grants Directory: http://www.fundsnetservices.com/searchresult.php?sbcat\_id=30
- World Movement for Democracy CEE/NIS Funding Sources → http://www.wmd.org/cee-nis/ceenisFunding.html
- Group of civil society (NGO) and local government organisations from all over the world, working together to promote participatory local governance. → http://www.toolkitparticipation.nl/index.php
- INTRAC International NGO Research and Training Centre http://www.intrac.org/pages/resources\_database.html
- Civil Society International (CSI) → http://www.civilsoc.org/
- CIVICUS (World Alliance for Citizen Participation) → <a href="http://www.civicus.org/">http://www.civicus.org/</a>

#### **International Foundations Websites**

- The International Republican Institute → http://www.iri.org/
- Global Fund for Women → http://www.globalfundforwomen.org/
- British Foundation Allavida Foundation → http://www.allavida.org/centralasia.html
- British Community Fund → http://www.community-fund.org.uk
- British Westminster Foundation for Democracy → www.wfd.org
- British Council → <a href="http://www.britcoun.org/">http://www.britcoun.org/</a>

- National Council of Voluntary Organisations (England)  $\rightarrow \underline{\text{http://www.ncvo-vol.org.uk}}$ Scottish Council of Voluntary Organisations  $\rightarrow \underline{\text{http://www.scvo.org.uk}}$ Winrock International  $\rightarrow \underline{\text{http://www.winrock.org}}$

# **Biography of Authors**

Elmira Shishkaraeva, supervisor of the monograph's group of authors. Currently Ms. Shishkaraeva works as Regional Manager of the Academic Development Programme of the Open Society Institute (AFP HESP OSI). In the past she worked as a manager of Winrock International's Human Trafficking Prevention Programme and Director of the Civil Society Support Programmes of Soros Foundation – Kyrgyzstan. She is a member of the Board of the International Network of East -West Women. She is also an author and editor of a number of publications on gender and social problems in Central Asia (she has a recent publication "Spring 2005 in the Eyes of Kyrgyzstanis: Concerns, Expectations and Hopes", Bishkek, 2005). Ms. Shishkaraeva is one of the co-authors of "Manual for Leaders of NGOs: Efficient Supervision and Management of Noncommercial Organisations", ACSSC, Bishkek, 2006. She graduated from the History Faculty of the Kyrgyz State University. She has worked as an intern at the Faculty of Gender and Women's Studies of New Jersey University under a RSEP/IREX programme.

**Natalia Alenkina,** Director of ACA Consulting, a law firm. She teaches Law at the American University in Central Asia, and is an arbiter of the International Arbitration Court of the Chamber of Commerce. She has a total professional experience of 9 years, including work experience with international organisations. Ms. Alenkina is the author of over 20 scientific articles and specialised publications. She is, *inter alia*, co-author of the book "Noncommercial Organisations (Legal Framework, Taxation, Accounting)" and the textbook "Not-For-Profit Law".

Aida Alymbaeva, Director of Centre for Social Research at the American University in Central Asia (AUCA). She has recently been teaching "Process of Policy-Making: State, Business and Noncommercial Sector" in AUCA and in the Alatoo-Ataturk Kyrgyz Turkish University. In previous years Ms. Alymbaeva worked as a Project Coordinator for UNDP's "Resolution of Social Consequences in Batken Oblast" Project, as a Consultant on Central Asia for Winrock International (U.S.), and as a short-term expert at the Institute for Economic Policy in Bishkek. Aida Alymbaeva holds a Master of Science in Public Administration from Rochester Institute of Technology, Rochester, United States. She studied in the U.S. under the Edmund S. Muskie/Freedom Support Act Fellowship Programme funded by the U.S. State Department. Ms. Aymbaeva worked as an intern and participated in short-term training in Austria, the United States, Denmark, Macedonia, Malaysia, Armenia, and Romania. Her first research work was devoted to institutional development of local communities, in particular, associations of water users in Kyrgyzstan, and was later published in a collection of scientific works by Indiana University, United States, in 2002.

Anara Alymkulova graduated from the Academy of Management under the President of the Kyrgyz Republic in 1997, with a Master of Business Administration. Ms. Alymkulova has been working in the noncommercial sector for over 8 years. In 1998-2000 she worked for Mercy Corps as credit officer for a joint Project of Mercy Corps and the Central Asian American Fund for Business Support. During 2000-2005 Ms. Alymkulova worked in the representative office of Counterpart International in the Kyrgyz Republic as Technical Advisor on financial sustainability and Project Manager. She then worked as a consultant on the "Analysis of Mechanisms of Social Accountability in Europe and Central Asia" Project implemented by Counterpart Sheriktesh and funded by the World Bank. Currently, Ms. Alymkulova is a specialist on development of dialogue between the Ministry of Economy and Finance of the Kyrgyz Republic and civil society under the framework of the "Public Finance Reform" Project funded by DFID. She is the author of a number of publications in both local and foreign journals.

**Nurdin Satarov** has been working in the third sector since 1997. He worked as a Manager in the NGO Support Centre of Naryn for 4 years, mainly supporting noncommercial organisations in Naryn region. Since 2001, he has worked for Counterpart International in the Kyrgyz Republic. He has

experience in community mobilisation, planning, implementation and monitoring and evaluation of programmes and projects, and in organisational development with application of modern methods of evaluation and further improvement of organisational capacity. He also has research experience, including the application of joint approaches. He is the author and co-author of a number of publications, namely: a chapter in "Voices of the Poor" – "Kyrgyzstan" (By Kathleen Kinast, et.al); "From Many Countries" (by Deepa Naraian, World Bank Institute, 2001); "Development of Civil Society in Kyrgyzstan"; "Practice and Recommendations" bulletin by the Institute for Regional Studies, Bishkek, 2001; "Formation of an Interested Environment for NGOs in Kyrgyzstan as a Mechanism to Ensure their Vitality"; "NGO of Kyrgyzstan: Democracy from Bottom-Up", a collection of articles from 2002; "Report on Monitoring and Evaluation of U.S. Agriculture Department Programme", 2003; "Best Practice and Lessons Learned from Activities of Counterpart with Youth Initiatives", Institute for Regional Studies, 2005; "Strategic Management and Strategic Planning", manual for NCO leaders, 2006.

**Bermet Stakeeva**, graduated from the Kyrgyz Medical Institute majoring in gynaecology. Since 1996 she has been working for the Forum of Women NGOs of Kyrgyzstan and is an active member of the Forum. She started her career as Assistant Director of the Press Centre. Then she became a trainer, and in 1999 she was promoted to the position of Director of the Consolidation Bureau. In 1999 she worked as a Coordinator of the Women's Leadership" Project jointly implemented by Scranton University (US) and the American University in Central Asia. During 2000-2002 she worked as a researcher for INTRAC (United Kingdom) on the "Survey of Civil Society in the Kyrgyz Republic". In 2005 she was invited to join the Asian-Pacific Forum on "Woman, Law and Development" as a researcher. The results of the research study were published in the book "Participation of Women in Political Processes" and presented in Hong Kong.

**Eugene Dronov**, editor of the current monograph. Eugene graduated from the Chemistry Faculty of the Kyrgyz State National University. His overall experience in the noncommercial sector is about 10 years. He has vast experience in searching for information for a wide audience. He served as technical editor for collections of works published with the support of the Asian Development Bank, the CSSC Association and IREX.