

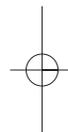
CIVICUS INDEX ON CIVIL SOCIETY OCCASIONAL PAPER SERIES • VOLUME 1 • ISSUE 9

Romanian Civil Society: An Agenda for Progress

A PRELIMINARY REPORT ON THE CIVICUS INDEX
ON CIVIL SOCIETY PROJECT IN ROMANIA

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and Ancuța Vămesu*

AUGUST 2001



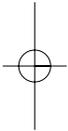
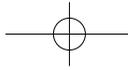
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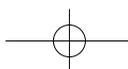
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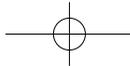
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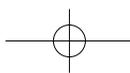
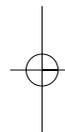
We would also like to acknowledge the important contributions of key stakeholders who generously gave their time and shared their perspectives concerning the specific, strength and impact of Romania's civil society.





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Part I

Introduction

After the fall of the communist regime in 1989 came a re-birth of civil society in Romania. Civil society in Romania consisted of multiple forms of voluntary associations configuring the space between incipient structures of the market and the first democratic state institutions.

By 1996 a variety of associative structures had officially been registered, among them 1 991 mutuals, 124 employers associations, 1 966 labour unions, 5 002 religious associations and churches and 12 309 associations and foundations. By 1999, the number of labour unions had doubled (4 035) and the number of associations and foundations, including religious associations, reached 25 194.¹ Whilst some organisations are acting in an area which is more closely connected with the market or are reconciling the institutional heritage of the previous system with the challenges brought by the new socio-economic framework, Non-Governmental Organisations (the term used for associations and foundations in Romania) are considered a fundamental expression of civil society in Romania. These Civil Society Organisations (CSOs) play a decisive role in overcoming the obstacles to democracy and rule of law, in what is still a difficult transition to market economy and capitalism.

The outstanding growth in number of NGOs is accompanied by a high 'mortality rate'. The overriding dependence on external financial resources results in the closure of many organisations and a tight competition for resources. The lack of a coherent public sector policy as well as the recent decline of foreign funding and scarcity of domestic resources account for the rather weak institutional and operational capacity of organisations. Other limitations to the development of organisations are their poor economic capacity and until recently the obsolete legal framework.

During this decade CSOs played a significant role in placing a number of issues, not discussed under the previous regime, on the public agenda. These include human and minority rights, environmental protection, fair elections, local autonomy and self-government, free and independent media and prison reform. The CSO sector made a major contribution to the reform of the socialist welfare services in sectors such as childcare, the elderly and alternative care for disabled people.

The research carried out under the Johns Hopkins Comparative Nonprofit Sector Project revealed that in 1995 the Romanian non-profit sector had not fully reach the level of its Central European counterparts (Salamon et al. 1999: 338). The current status of the non-profit sector is still marked by the dominating challenge of ensuring appropriate public support, but favourable changes like the enactment of new legislation regarding CSOs will assist in the further development and maturation of the sector.

The *CIVICUS Index on Civil Society* project was an opportunity to expand and develop the research on civil society. The Civil Society Development Foundation (CSDF) was previously engaged in an international comparative research study (Johns Hopkins Comparative Nonprofit Sector Project) that allowed the analysis of the scope, structure, financing and role of the private non-profit sector from 1995. It was the first academic and systematic effort to study the non-profit sector in Romania.

¹Romania was included in the Johns Hopkins Comparative Nonprofit Sector Project in 1996.

Previous efforts to determine the dimensions and draw a profile of the non-profit sector started in 1992 and are a result of the initiative of Soros Foundation (currently the Open Society Foundation). Another source of information on the non-profit sector in Romania are a series of reports by a broad consultative structure of Romanian NGOs, namely the NGO Forums. The specific issues of the sector and proposed strategies for implementation are the subject of a series of white papers. An evaluation of the development phase of the non-profit sector was undertaken by international institutions such as World Learning but the relative consistency of this research is questionable. Academics became increasingly interested in the non-profit sector, which created space for introduction of dedicated subjects and even special long courses, such as organisational management or volunteer management.

The *CIVICUS Index* project provided an opportunity to continue the systematic update and expansion of this information, which covers a broad range of CSOs. These includes faith-based organisations, trade unions, grant-making foundations, developmental civil society organisations, organisations active in education, training and research and literacy, environmental groups, advocacy organisations, women's associations, student and youth organisations, social services and health organisations, ethnic and traditional societies, indigenous people's organisations, cultural and arts groups, social, recreational and sporting groups, professional and business associations, organisations of people with disabilities, community development organisations, community-based and informal self-help groups, mutual aid and co-operative organisations, economic interest groups such as the unemployed, credit unions and loans associations.

Part II

The CIVICUS Index on Civil Society Project in Romania

The CIVICUS Index on Civil Society has the following objectives:

- To increase the knowledge and understanding of civil society through reflecting on and assessing the health of the sector;
- To promote dialogue, alliances and networks among civil society stakeholders as a means of empowering them;
- To strengthen civil society by providing stakeholders with a tool for developing a common vision and agenda to foster positive behavioural change.

The Index provides civil society stakeholders with a diagnostic tool for assessing the current health of civil society and to collectively set goals and create an agenda for strengthening civil society in the future. Its methodology provides universal indicators and encourages the development of specific country indicators ensuring a balance between the needs of a contextual approach and the desire and benefits of a comparative framework. Local civil society is thus able to develop its own assessment and at the same time place the country results in an international context.

In the specific case of Romania, the *CIVICUS Index* project makes the following contribution to strengthening civil society:

The *CIVICUS Index* project provides a larger framework for investigation considering the definition of civil society organisations (CSOs) as the working definition proposed by CIVICUS.

This defines civil society as *the sphere of institutions, organisations, networks and individuals (and their values) located between the confines of the family, the state and the market, in which people associate voluntarily to advance common interests.*

The *CIVICUS Index* project encourages the debate on different forms of association promoting common goals and values.

The most common forms of association in Romania are NGOs (foundations and associations). This fact is consistent with Romanian legislation, which recognises associations and foundations, while special regulations exist for trade unions and political parties. Juridical personality and the provision of rights to specific facilities and opportunities is related to official recognition from the state.

The *CIVICUS Index* project provides CSOs with a new constructive framework for self-assessment (through the Civil Society Diamond³)

All four dimensions – structure, space, values and impact – are relevant to Romanian civil society. Most indicators refer to issues that are part of the national debate on the direction that should be adopted by CSOs in order to build a sustainable sector, which at the same time is accountable to

³The CIVICUS Diamond Tool and analytic framework was developed for CIVICUS by Dr. Helmut Anheier, Centre for Civil Society, London School of Economics. For more information, see Anheier, H. K. and Carlson, L., *Civil Society: Measurement and Policy Dialogue*, London: Earthscan, forthcoming.

its stakeholders. This stimulates a critical analysis that leads to the identification of weaknesses and establishment of priorities for development.

The CIVICUS Civil Society Diamond does not stand by itself but it generates actions and mechanisms to improve the state of civil society, while stimulating the establishment of high standards.

The *CIVICUS Index* project introduces the values dimension, which is an innovative approach, within the Romanian context.

It is commonly understood that CSOs represent a set of values, which are reflected in their activities. They are generally committed to promoting human rights while some dedicate their activities to a specific issue. There is, however, no evidence to suggest that CSOs fulfil an educational function for broader society, as one would have expected. This is mostly due to a lack of communication between CSOs and stakeholders, including the general public. The inclusion of the values dimension in the analysis resulted in a deeper and more conscious reflection of the functions of CSOs in this respect.

The *CIVICUS Index* project defines and measures the health of civil society by tapping into stakeholder perceptions of civil society.

An NGOs leaders' survey conducted by CSDF in 1998 revealed that NGO representatives had a positive image of their organisations and their relationships with different stakeholders, especially the public. Their opinion was built on direct, inside information. They did, however, acknowledge a general lack of awareness and even a negative public perception of organisations. This is because, as the national surveys show, the mass media, especially television, is the main source of information for the public.

The approach proposed by CIVICUS contributes to identifying appropriate actions to be undertaken in ameliorating the assessment of stakeholders.

The *CIVICUS Index* project allows for comparisons of Romanian civil society to civil society in other countries

The *CIVICUS Index* project was conducted based on a common methodology applied in 13 countries around the world, providing comparable findings from other countries, while at the same time allowing a country-specific interpretation of the results in the Romanian context. Moreover, the methodology allows for periodical inquiries and monitors progress.

Part III

Project Implementation

The implementation of the *CIVICUS Index on Civil Society* project in Romania included three larger sections.

Overview Report The report contains information from primary data sources (e.g. national or international barometers and CSDF database) and secondary data sources (such as studies on civil society), structured around the four dimensions. The objective was to summarise the available information on the state of civil society and the general framework in which civil society operates.

Stakeholder Survey The survey sample was drawn from a population of 6 800 NGOs included in the CSDF database.⁴ The organisations were selected randomly ensuring representativity by territorial distribution and fields of activity.

Questionnaires were sent to 931 civil society organisations, 182 in Bucharest and 749 outside Bucharest. They were distributed by post and e-mail between March 26 and April 26. One hundred and eighty-nine CSOs responded (34 based in Bucharest and 154 in other regions).

One hundred and seventy questionnaires were sent to stakeholders from other sectors: 40 public administration representatives, 80 journalists, 20 business representatives and 30 researchers. Ten responses were received from public administration representatives (25%), 12 from the media (15%) and 10 from business (50%).

⁴ONGBit – the NGOs Database was built by CSDF through two national surveys (mail and field interviews conducted in 1997 and 1998). Data regarding contact information, field of activities (65 fields of activities), target groups, type of organisation, area of service delivery, financial information, projects and programmes, publications etc. are included in the database. The database is constantly up-dated through direct contact, publications and web pages. New entries are added every day. The information collected was based on the legal registration of NGOs with local courts centralised by the Ministry of Justice. Cross-checking was organised with fiscal authorities at regional levels. In 2000, a request was submitted to the National Institute for Statistics and Economic Studies for obtaining the list of all NGOs that had filled annual accounts with the tax authorities for the year 1999. After receiving a list consisting of a number of 27 697 NGOs, a screening process took place and the information was converted to CSDF standards. The new data was cumulated and compared with CSDF Database (6 303 organisations), and with other CSDF sources (different publications, direct contact with NGOs, organisation's announcements - totaling 1 211 organisations). The compiled information was used to prepare a mailing list. A total of 25 194 questionnaires were mailed out to NGOs from all over the country. 6 819 NGOs are registered at present on the database out of which 5 152 have been updated since July 1998.

Table 1. Number of Respondents and Response Rate

	No. of questionnaires sent	No. of responses to questionnaires	Response rate (%)
Business representatives	20	10	50
Media representatives	80	12	15
Researchers	30	7	23
Public administration representatives	40	10	25
CSO Representatives	931	189	20
Total	1101	228	21

A total number of 1 101 questionnaires were sent out, with 228 responses received. The response rate is 21%.

The stakeholders were asked to answer a questionnaire listing a set of indicators, structured around each of the four dimensions. The set of indicators included the indicators provided by the *CIVICUS Index* co-ordination team which were validated in a focus group as well as other indicators relevant to the Romanian context developed by focus group participants. The focus group involved NGO leaders, public administration representatives, a journalist and a social researcher.

National Workshop

The national workshop objective was to debate the research findings, validate or adjust them and develop action plans for future development of civil society. The workshop activities were scheduled in a two-day agenda as follows:

Day 1: Presentation of *CIVICUS Index on Civil Society project* in Romania; presentation of research findings; discuss results for each indicator and adjust status diamond;

Day 2: Set the Vision Diamond; develop action plan for achieving the Vision Diamond; evaluation and closure.

The workshop was widely promoted, encouraging participation from outside Bucharest and other large cities. A total of 72 participants registered, out of which 40 representatives of CSOs. The central public administration proved a strong interest in participating in the event, with 13 representatives. Three business firms and four research institutions, both public and private were also present. Six representatives of national and local mass media participated in the workshop as well.

The discussions in small groups were particularly useful, as they offered the opportunity of an active exchange of ideas and experiences. A particularly high evaluation was given from the participants located in the countryside who have fewer opportunities to engage in larger frameworks of discussion on civil society issues.

Participants at the workshop were asked to fill in an evaluation questionnaire covering different

aspects related to the content, the process and the organisation of the conference. From 70 participants at the workshop we received 24 evaluation questionnaires. The majority of respondents (21 responses) evaluated the workshop as 'very useful'. More than half of the respondents were very satisfied with the participation in the debate sessions (17 responses) and with the plenary sessions on CIVICUS Index on *Civil Society and Civil Society Index* in Romania (14 responses).

Quotes from Workshop Participants

“Communication between NGOs can start at this moment. We received very useful suggestions but we need an adequate framework to further advance them, such as the one provided by this conference.”

“The conclusions of the debates can be premises for future development of each NGO. It is extremely important to get to know each other so that we can effectively co-operate and become the ‘power’ we need to have to work for a healthy society.”

“The results of the conference should be officially introduced to decision-makers to emphasise the significance of this event dedicated to the development of civil society in Romania.”

“This initiative should continue and such events should be organised at least once a year.”

Part IV

Romanian Civil Society Diamond

The Diamond depicts an image of civil society in four dimensions: structure, space, values and impact. Each dimension has a set of indicators on which the questionnaire was based. For each dimension, secondary data indicators were added to the stakeholder survey.

These secondary data indicators are the following:

Structure: Membership (*World Value Survey*), Share of Employment (Johns Hopkins Project)

Space: Legal Environment (*USAID NGO Sustainability Index*), Corruption (*CPI Transparency International*), Civil Rights (*Freedom House*), Press Freedom (*Freedom House*), Public Spiritedness (*The Associative and Philanthropic Behaviour of Romanians- Romania*)

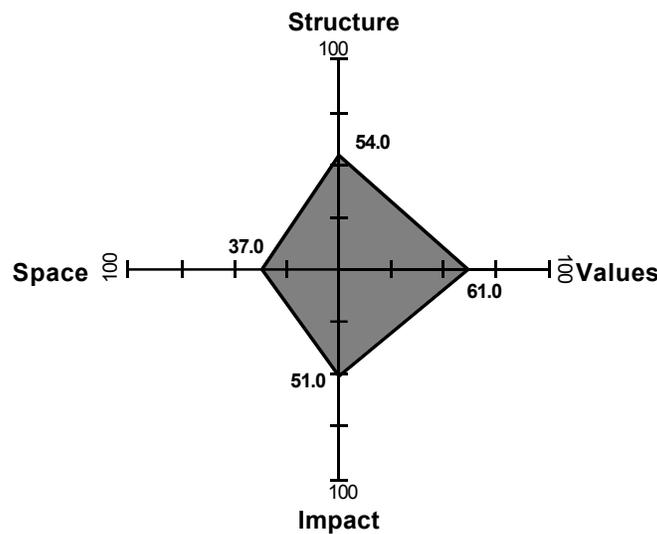
Values: Trust among CSO Members (*World Value Survey*), Tolerance (*World Value Survey*)

Impact: Impact (*USAID NGO Sustainability Index: Advocacy, Public Image, Service Provision*)

The Diamond has a scale from 0 (*most negative*) to 100 (*most positive*) and resulted in the following scores.

Structure:-----55
 Space: -----46
 Values: -----67
 Impact:-----53

The Civil Society Status Diamond for Romania:



On the structure dimension the score is 55 out of 100. This indicates a relatively medium value in terms of an active membership base, co-operation with the public and private sector and intra-sectoral organisation. Drawbacks were registered in areas of building alliances and networks for the promotion of common interests, citizens' support for CSOs and financial sustainability.

The space accounts for the lowest score (46) revealing a regulatory environment which is not very favourable to the development of CSOs. Recently a new law on associations and foundations has been adopted which facilitates the establishment of CSOs and introduces few important benefits for CSOs. The shortcomings of the external environment for civil society are reflected by the fiscal framework for CSOs as well as their sponsors, the rather negative attitude of the private sector towards civil society, the absence of state recognition of civil society activities and volunteering.

The score obtained in the values dimension (67) proves the commitment of CSOs towards human rights, the promotion of co-operation and tolerance between different political, ethnic, religious, cultural groups and gender equity. The most critical aspect CSOs face is related to ensuring financial transparency and accountability of their activities.

The impact of CSOs is medium (53) as their important contribution in the areas of solving specific social and economic problems is counterbalanced by the low capacity of influencing decision-makers and public policies.

Structure

The aspects investigated through the survey under this dimension were the relations between organisations, between organisations and local and central government and the private sector. Other elements that form the structure component concern the distribution of organisations, funding sources and factors influencing their activities.

According to the findings of the Johns Hopkins Comparative Nonprofit Sector Project, the Romanian non-profit sector turns out to be a small but developing economic force. In 1995, the operating expenditures reached \$90.3 million, only 0.3 percent of the country's gross domestic product. The workforce includes an equivalent of 37 000 full-time equivalent paid workers. This represents 0.6 percent of all non-agricultural workers in the country, 1.2 percent of service employment, and the equivalent of one percent of the workforce of government at central and local levels (Salamon et al. 1999: 338).

Membership & Volunteering

Between 1996 and 1997, CSDF has carried out two consecutive sociological surveys on associative and philanthropic behaviour of Romanians based on the data gathered by the Centre for Urban and Regional Sociology, to inquire about the scope and values of voluntary associations.

Results showed a relatively low level of membership in CSOs. In 1996 the estimate of CSO membership among the total adult population was 11 % (excluding labour unions), while this rose to 26 % the following year, although this number includes members of labour unions. In the same year the membership in NGOs was measured according to the International Classification of Non-Profit Organisations (ICNPO), used in the John Hopkins Comparative Nonprofit Sector Project, which reached only 6 percent.⁵

⁵The methodology of data collection was different in both surveys, in the first one being done through an open-ended question, and in the second one through a fixed-choice item.

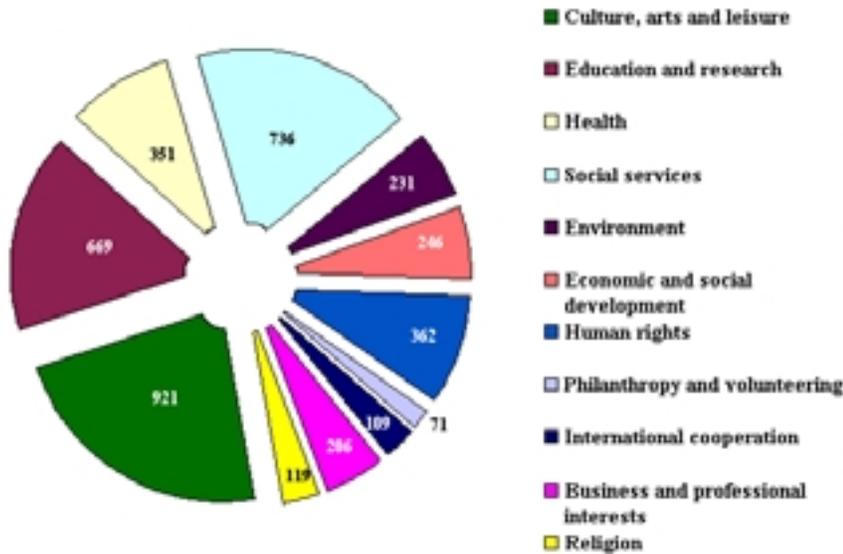
The same research carried out in 1997, showed a severe decrease in volunteering input, dropping almost five times in relation to the financial volume of the work. People manifested a much more reluctant attitude towards voluntary work in 1997 compared to 1996. The most affected field was that of human rights, international co-operation and business and professional interests. But the most drastic decrease, of almost 10 times, took place in the field of economic and social development. This in particular, as well as the overall tendency, indicates that the voluntary work of Romanians does not have the character of economic complementarity, but rather that of superposition. The period of economic crises, which was deepening in 1997, was also marked by a crisis of volunteering.

Nevertheless, civil society attracts a considerable amount of volunteer effort, showing a high willingness of Romanian to volunteer for a non-profit organisation. According to the above mentioned national surveys on philanthropic behaviour this volunteer effort translated in 46 000 full-time employees in 1996 (Salamon et al.1999: 339).

Fields of Activity

The main activity fields of NGOs are presented in the chart below based on the NGO database. The operational classification on fields of activity is the International Classification of Non-Profit Organisations (*Chart 1*).

Chart 1. Activity Fields of the NGOs Included in ONGBit 2000



seen in the context of inheritance of resources that have been invested in the field by the previous regime and even of an institutional continuity rather than due to a programme- driven development.

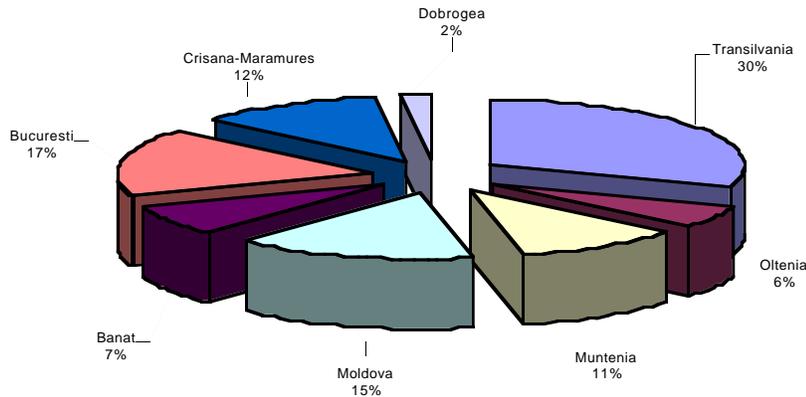
Another important share of the non-profit activities is placed in the field of social services. This reflects the answer, which was given by NGOs to the situation of groups who are economically, socially marginalised, such as children, elderly and disabled.

Regional Distribution

More than half of the survey respondents state that organisations are not spread in a balanced way across the regions of countries.

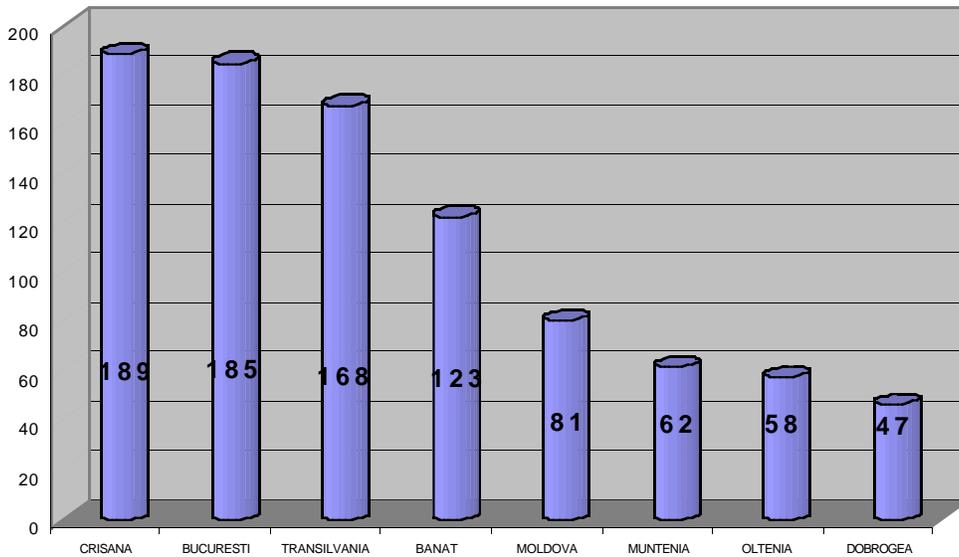
The following chart (Chart 2) illustrates the NGO distribution by historical regions and by residential area. Out of the total number of 25 194 organisations registered on the database in 1999, 17% are located in Bucharest, 2% in Crisana-Maramures, 2% in Dobrogea, 30% in Transilvania, 7% in Banat, 15% in Moldova, 11% in Muntenia and 6% in Oltenia.

Chart 2. NGO Distribution by Historical Regions and Bucharest



The following graph (Chart 3) represents the distribution of NGOs by density (NGOs/100 000 inhabitants).

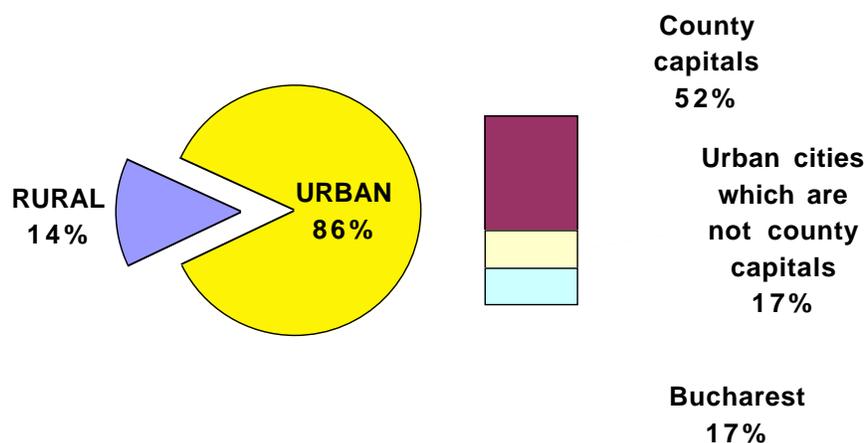
Chart 3. NGO Density by Historical Regions



Fourteen percent of the NGOs are located in rural areas, and 86% in urban areas (out of which 52% are in the county capital, 17% in other cities and 17% in Bucharest) (see Chart 4).

The CSO distribution and density reflects the different level of development of the historical regions, which in turn reflects the influence of the religious, cultural and social factors that have shaped civil society since the medieval period. The level of association is related to the religious and cultural values embraced by people in different regions and to the urban development in those regions. For example, the Orthodox Church was preoccupied with consolidating itself as an institution and preserving authority, whereas Catholics embraced new notions about the importance of charitable giving and having a positive impact on society. The Hungarian occupation in Transilvania encouraged the development of towns in terms of commercial activity, political and cultural life, while in Wallachia and Moldavia the role of towns was limited to an administrative one.

Chart 4. NGO Distribution Rural – Urban



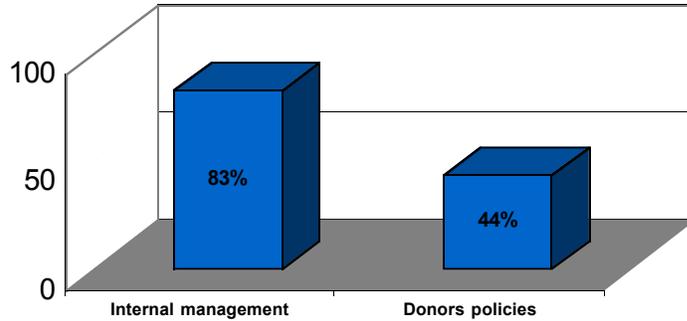
NGOs are by far more present in urban areas than in rural ones. This reflects the need for formalised relationships within bigger communities as opposed to the informal and direct interaction prevalent in traditional communities. Rural impoverished communities exhibit the tendency to rely on government authorities and lack the self-confidence needed for individual and group action. Also, the access to resources (financial, information and know how) which act as enablers in urban areas is rather limited in the countryside (*see Chart 4*).

Factors Influencing Civil Society Activities

Despite the high degree to which non-governmental organisations depend on foreign financing resources, provided either by international organisations, governments or private foundations, respondents of the stakeholder survey consider that donors’ policies play a less important role in determining the organisations’ activities than the internal management.

A quarter of respondents think that their activities are not influenced by donors’ policies. This indicates that the organisations are increasingly run by internal decisions, rather than external pressure. (*see Chart 5*).

Chart 5. Factors Influencing CSOs Activities



Intra-sector Organising

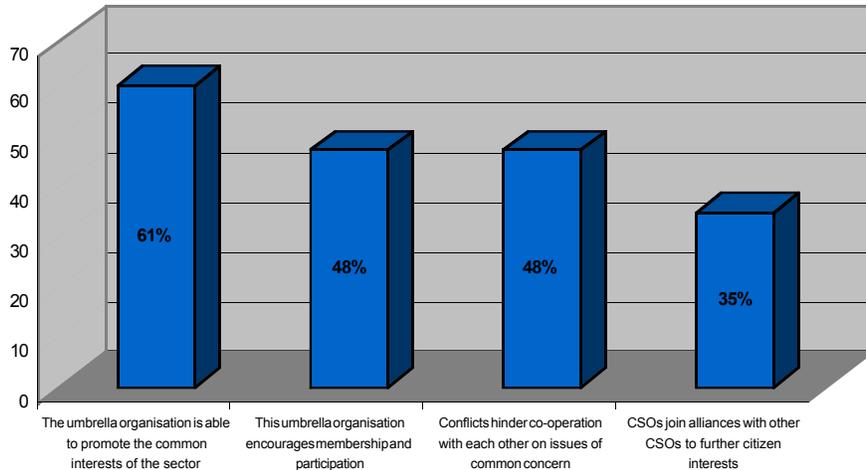
Respondents acknowledge the existence of at least one network of CSOs in a respective field and they believe in the capacity of umbrella organisations to promote the common interests of the sector. However, umbrella organisations do not encourage the active participation of their members very much and are insufficiently concerned with attracting new members.

Intra-sector conflicts hinder co-operation of CSOs on matters of common interest, in the opinion of the respondents.

“there is unfair competition between organisations”

The percentages indicate the share of respondents who agree or fully agree with the statement

Chart 6. Intra-sector Organising



The percentages indicate the share of survey respondents who agreed or fully agreed with the statement

CSOs compete for the scarce resources currently available and for favoured relationships with either donor organisations, or central and local government agencies in their field of activity. This competition is a normal stage of development – and those NGOs who are able to take an ethical stand have started to turn to the community to raise the necessary and constant support. There is more of a need to building long-term alliances among smaller CSOs than between large and experienced organisations, which can promote their interests themselves. Well-established NGOs have the skills and resources needed for good representation and lobbying. There is a need for networking activities in order to bridge the gap between small and large organisations on issues of common concern. Here, the intra-sector collaboration through networks and umbrella organisations can provide the appropriate means to overcome such conflicts (*see Chart 6*).

The NGO database provides information on federations and umbrella organisations. A number of 67 groups of associations and foundations are registered in the database. Federalisation and creation of umbrella organisations is, however, a controversial issue. The need for lobbying, advocacy and representation through umbrella organisations is counterbalanced by the inherited lack of trust in any hierarchical form of organisation and the danger of losing power to a few chosen elites. This is a specific feature of post-communist society. Short term partnerships or partnerships within projects are alternative solutions to the establishment of institutionalised long-term umbrella organisations. These partnerships have an important role to play in building trust and a step-by-step process in which intra-sectoral links can be consolidated.

An institutionalised setting for consultations among NGOs is the NGO Forum. Since 1994 the NGO sector has organised an annual National Forum, and recently forums are also organised at a local level. The Forum attracts up to 150 NGOs every year (national NGOs and representatives of local forums) and has developed an executive group, the Group for the Implementation of the NGO Forum Resolutions (GIR). GIR is a group carrying out lobbying activities for advancing and implementing the resolutions adopted at the NGO Forums.

Activism

Although the majority of respondents disagreed with the assertion that 'CSOs express their interests in the public sphere through peaceful, non-violent actions, avoiding violent means such as damage to property or personal violence', it would appear that this does not imply that CSOs demonstrations are violent. By correlating this result with the one regarding the expression of interests in the public sphere through violent means, which received the highest number of negative responses, we can conclude that this rather reflects the opinion that CSOs do not employ demonstrations at all as means to promote their interests.

Relationship of CSOs with external actors

Co-operation with the private sector, organisations of local communities, central and local public administration and political party representatives in order to promote their interests in the public sphere are indicators for which responses are distributed rather evenly between 'true' and 'not true'.

“Public administration does not involve enough, while fictive organisations and those committing illegal actions are discrediting the non-governmental sector.”

“In many cases Romanian NGOs emerged as a result of donors' specific needs or as a result of a grant.”

Regarding the co-operation with central and local public administration, the even share of answers along the categories reflects a wide range of different experiences of civil society organisations. This holds also true regarding the contact with political parties, which varies according to the specific area and activities of CSOs. These two indicators also reflect the ad-hoc character of such co-operation and the fact that they are generated by personal contacts. Co-operation with the private sector rarely happens according to the assessment of stakeholders. In the following, we provide some brief case studies of successful co-operations with external stakeholders.

Co-operation with Central Government

Romania had a very high abortion rate at the beginning of the 1990s. Family planning was hardly known and the services were almost non-existent. The Society for Sex and Contraceptive Education (SECS) established by young professionals developed a national network of specialised family planning services throughout the country in partnership with the public health system. Over time the national health system incorporated family planning in its own set of services and SECS activities went into a decline.

Co-operation with Local Government

Estuar Foundation, an organisation specialising in social services for persons with mental health problems established a community centre in partnership with Bucharest District 6. The Centre provides a social canteen, self-help activities and legal advice for these individuals. The Centre benefits from government subsidies, which are allocated to NGOs providing social services on the basis of state run services' quota per person.

Multi-Nationals and Local Companies

Procter & Gamble donated 5% of their sales of Pampers baby diapers for a joint programme run by the Romanian Save the Children and the Ministry of Education. The income was used to provide Romanian schools with computers. The schools were selected on an open competition basis.

Financial resources

Respondents considered that the funding of individual CSOs does rarely depend exclusively on the Romanian private sector or on public funds. This assessment is slightly different in terms of foreign funding.

According to data gathered in the framework of the Johns Hopkins International Comparative Nonprofit Sector Project, in 1995 most revenues came from international government sources (European Union, The United States and other mostly Western European countries), accounting for almost half (45%) of all non-profit revenue in Romania. Total international support accounts for more than half of the revenue (including private philanthropy, such as Soros Foundation). Private philanthropy (individuals, corporations and foundations combined) accounts for 26.5 percent of non-profit income, while fees account for 28.5 percent.

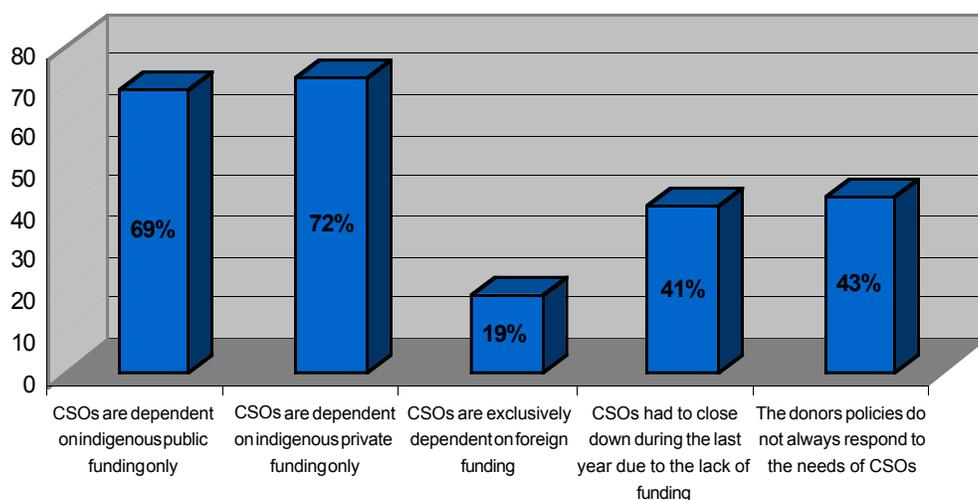
This pattern of non-profit revenue changes dramatically when volunteers are factored into the picture. With volunteers included, private philanthropy increases from 26.5 percent to 66.5 percent, clearly overtaking fee income, which drops from 28.5 percent to 13 percent, as well as public sector support, which decreases from 45 percent to only one-fifth of total revenue. This reflects the considerable voluntary energy that has been tapped by the Romanian non-profit sector (Salamon et al. 1999: 347-348).

Accessing these potential granting sources is linked to the varying appreciation of the relationship with the respective institutions. For example, the lack of co-operation with the private sector is probably connected to its low financial contribution to civil society activities.

A significant number of respondents agreed that ‘civil society organisations have ceased their activities due to the lack of funds’. Even if this indicator included a relatively large number of ‘don’t know’ answers, the findings indicate that financial resources are fundamental for the functioning of organisations.

In addition to that, donor’s policies hardly meet the needs of the organisations. Donors orient their giving activities towards projects that provide immediate impact and direct results for beneficiaries. This is why there is mainly, if not only, project-related funding available (see Chart 7).

Chart 7. Dependence on Funding



The percentages indicate the share of respondent who disagree or fully disagree with the statement

Moreover, donors shift their priorities in short spaces of time according to perceived immediate needs rather than long-term development targets. This results in a disproportionate development of service providing NGOs in comparison to advocacy-oriented civil society groups.

“Lack of funds generate bad communication, impossibility of co-operation and of access to information.”

“Lack of funds is the biggest problem of NGOs.”

“There is a gap between donors’ and beneficiaries’ agendas.”

Although very well represented by number of organisations, the non-profit sector makes only a 'modest' contribution to the country's economy. As the results of the Johns Hopkins Comparative Nonprofit Sector have proved, the Romanian non-profit sector is small relative to its counterparts elsewhere in the world. Still, when the volunteers are added, its dimensions increase, indicating the support these organisations enjoy. The distribution of organisations reflects the economic and social discrepancies as well as the cultural particularities at a regional level. Social services are a major field of activity for CSOs, receiving strong voluntary contributions. Recently, social service CSOs also began to enjoy the support of corporate philanthropic initiatives as they respond to the basic development needs of the Romanian society. The growth of the sector is largely dependent on the relationships with other sectors, public or private, in terms of receiving direct or indirect support. However, Romanian CSOs are increasingly reliant on internal management to make decisions, an approach that is likely to shape the future evolution of the sector in a positive way.

Space

This dimension was measured mainly by two main components:

1. Laws and policies affecting civil society;
2. Social and cultural norms on which civil society is based

Legal Framework

The legal framework regulating the activity of CSOs was measured by assessing the extent to which the establishment of an organisation and the fiscal regulations are problematic for the activities of organisations.⁶ Establishing a CSO is generally considered not to be problematic. While co-operatives and labour unions are regulated through separate laws, the Romanian legislation stipulates a common framework for associations, foundations, unions and federations (NGOs).

From a legal perspective, co-operatives are association having an economic nature, based on the consent of their members with the aim of carrying out common activities, using collectively owned or rented production means. The handicraft co-operatives have a distinctive status within the national economy, as independent, productive and economic organisations and run according to their own regulations. The 'disabled people co-operatives' are also a separate category of co-operatives, whose aim it is to integrate the disabled into productive activities. They are exempted from profit taxation. Other types of co-operatives include consumption and loan co-operatives, which are mutual aid organisations, established through the contributions of freely associated members with equal social shares. Like handicraft co-operatives, there is a decline in their evolution due to the current economic changes (Saulean & Epure 1998: 12).

The legal framework in which NGOs operate was regulated until last year by Law 21/1924. This law has not been amended since its promulgation, and was considered obsolete, even though it set up the first general framework for associations and foundations in the spirit of the 1923 Constitution, which ensured the freedom of association. This law was promulgated in a period when associations and foundations were established only by the state or royal decree. During the Communist rule, the law was neither applied nor abrogated. As a consequence, there is an evident lack of consistency with the legal system. Likewise, certain provisions of the law are no longer applicable, other are ambiguous, which has made it difficult to apply.

⁶Responses, on a scale from 1 (very problematic) to 5 (not problematic at all) were aggregated in two categories - 'problematic' and 'not problematic'.

This act was recently replaced by the Governmental Ordinance 26/2000.⁷ In fact, the necessity to have a new law on associations and foundations was among the first on the agenda of Romanian NGOs. The idea of a new law gained substance at the National Forum of NGOs in 1996 and a working group was mandated to carry out this initiative. The group included representatives of NGOs, parliament and legal experts. At the end of 1999, the participants of the National Forum of NGOs requested, through the means of a resolution, the promulgation of a new law, and GIR was mandated to take action in this respect. The government Isarescu issued the Government Ordinance 26/2000 regarding association and foundations, which, with small changes, embraced the text proposed by the non-governmental sector (Lisetchi 2000: 31). The new law facilitates both the setting up of an association and foundation by eliminating the administrative control of ministries and instituting the control of the judiciary. The number of persons stipulated for setting up an NGO has been reduced considerably, from 20 to a minimum of three, simplifying the establishment of NGOs. Also, the law institutes an urgency procedure for their establishment.

Through the new normative act, the possibility to carry out economic activities is extended to foundations. Both associations and foundations may establish commercial companies. Dividends obtained by association or foundations from the activities of these commercial companies, unless reinvested in the same commercial companies, will be obligatorily used for achieving the purposes of the association or foundation. They also may carry out other direct economic activities, if they have an accessory character and are closely connected to the main purpose of the legal person.

As for the internal organisation, each association or foundation has the right to build its own system of management and administration. The law establishes that the supreme decision body in the association is the General Assembly in the association and the Administration Board in a foundation. Provisions related to the conflict of interests are included.

The absolute renewal brought by the Ordinance is represented by the granting of status of 'public utility' to associations and foundations, which can obtain this status according to certain criteria. This status gives organisations the right to receive concessions on public services on a non-commercial basis, the preferential right to receive financial resources from the state and local budgets and the right to mention in all its documents that it has a recognised public utility status.

Obligations are stipulated respectively: the obligation to maintain at least the level of activity and performance that determined the recognition, the obligation to communicate to the competent administrative authority about any modifications to the constitutive act and the statute, as well as the activity reports and annual balance sheets. Also, the administrative body of the association or foundation is obliged to ensure that these documents are made publicly available to any interested person. Another obligation is to publish excerpts of the activity reports and the annual balance sheets in the Official Gazette of Romania, and in the National Registry of Legal Persons without Patrimonial Aim.

The associations and foundations have to register in the Registry of Associations and Foundations based at the law court and in National Registry of Legal Persons without Patrimonial Aim, which is based at the Ministry of Justice. The latter is considered by Romanian CSOs to not only record all legally registered non-profit organisations, but also to gather and disseminate information about the non-profit sector and to become a major source of data and logistic support for Romanian CSOs.

The Ordinance produced important changes in the legal framework that regulates the establishment and operation of associations and foundations by simplifying it and resolving the issues of the inadequacy of the old law.

⁷In the Romanian legislative system the ordinance has the same status as the law. Still, the procedure stipulates that any ordinances, following its creation, must be discussed and adopted by the parliament. Therefore it is possible to have situations when an ordinance already enforced is rejected by the parliament and is no longer applicable.

However, some difficulties are foreseen when it comes to putting the law into operation. As Ion Olteanu, ex-governmental counsellor at the Office for the Relationship Government-NGOs said, rigorous norms must be promulgated which should guide the authorities with attributions in the field for applying high and universal evaluation standards in the process of granting the status (Atitudini 2000: 24). The public authorities, with little experience and no special structures or person(s) specially designated for the relationship with NGOs, will probably face difficulties in co-operating with organisations.

Fiscal Framework

Another aspect is that of the fiscal facilities for the NGOs of public utility, which needs to be regulated through special provisions of the Ministry of Finance.

In the survey, the fiscal framework was considered in two ways: (a) special fiscal treatment that is conceded to organisations who receive funds, (b) tax deductions provided to donors - individuals or commercial companies who make donations to organisations.

“The legislation does not encourage companies to sponsorship and donation.”
“Norms do exist, but not everyone respects them.”
“Precise legislative measures are desired; also, sponsors should enjoy tax deductions.”

Both indicators are considered problematic, the second less than the first. Although organisations do not pay taxes for donation revenues, they pay taxes for revenues from economic activities and have difficulties with other duties and taxes. Income generated from commercial activities is taxed at the same level as that of businesses irrespective of whether these activities are related or unrelated to the general public interest of the organisation. Separate accounting is needed which makes it difficult for CSOs to separate commercially related or unrelated expenses.

Tax deductions conceded to donors still raise difficulties despite the modifications of the sponsorship law. According to this law contributions made by businesses to CSOs or public institutions are considered deductible expenditure. This puts CSOs in competition with public institutions (such as schools and hospitals) which are facing a serious financial crisis. Moreover businesses prefer to support causes which provide free publicity such as rock concerts and football teams. This was particularly applicable when expenditure on advertising was limited to 3% of the overall budget of a company. Because contributions to the non-profit sector were not tax deductible there was no a real incentive for businesses to contribute. Due to CSOs own limited marketing and communication skills, they struggle to attract sponsorship for their causes.

Regarding the fiscal regulations applicable to not-for-profit organisations, they are diverse and cannot be found in one single law. Because Romania is undergoing a transition period, legislation is complex, adapting constantly to reflect the changing circumstances.

Not-for-profit organisation are eligible for the same taxes and charges as those of any legal person. The difference is that, due to their community character, these organisations benefit from certain facilities. These facilities concern only the not-for-profit organisations registered as legal persons.

Taxation of Revenues

NGO revenues (regardless the purpose for which they were set up) that are taken into account when establishing the taxable profit are only those which correspond to economic activities carried out for the purpose of obtaining profit. As a consequence, donations, sponsorships and grants from foreign donors are not included in the taxable profit. The quota to be paid as a profit tax is 25%.

Value-Added Tax

Non-Profit Organisations are not payers of VAT, unless their economic activities generate more than 100 000 000 ROL turnover. Besides this provision, non-profit organisations may require the reimbursement of VAT paid for the goods and services directly financed from relief funds or non-reimbursable loans granted by foreign governments, international bodies, foreign or local charities and not-for-profit organisations. This category also includes the donations of natural persons in the circumstances established by the Ministry of Finance.

Custom Duties

The imported goods coming from donations or directly financed from non-reimbursable loans, from scientific and technical co-operation programmes granted by foreign governments, international bodies, not-for-profit and charity organisations, designed for not-for-profit activities are exempt from customs duties.

Sponsorship

The amounts granted as sponsorship are deducted from the taxable base but, cumulated, they cannot exceed 5%. The law lists the fields towards which sponsored amounts can go (such as sport, religion, culture, environment, scientific research, humanitarian activities, etc.).

Although the law has been modified, tax deductions conceded to donors are still not encouraging the corporate giving. The fact that the amount granted as sponsorship is not deductible from the tax owed is a concrete obstacle, which prevent the commercial companies to financially support the non-profit sector.

Socio-Cultural Norms

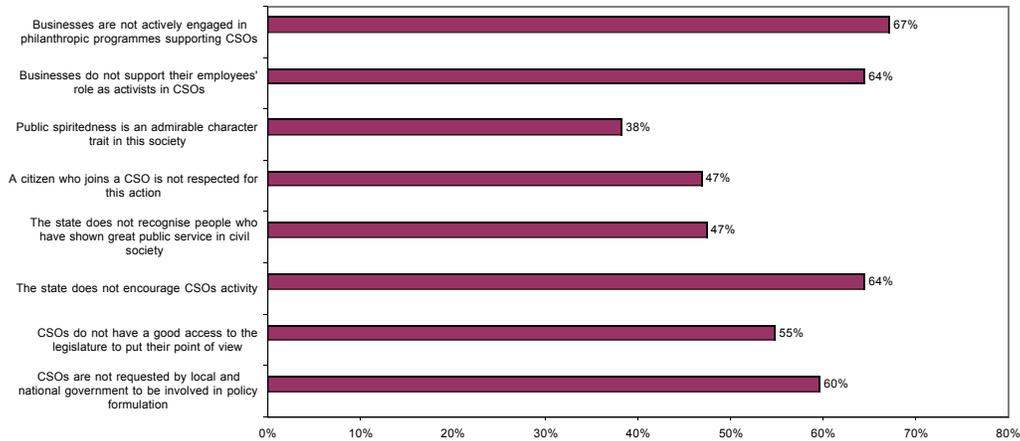
Here, we looked at the social recognition of volunteering, the pressure of political groups on civil society and the role of businesses and the state in supporting civil society.

From all these factors, only one statement was agreed on 'civil society organisations are not pressured to join or endorse political groupings'. More than a quarter of the respondents tended to believe that these organisations are pressured to join political groupings. This is probably due to subjectivity in interpreting 'pressure' in the evaluation of the accuracy of the statements on the 'true' scale.

It has been ascertained that social and cultural norms are not generally enabling to the development of civil society. Respondents did not acknowledge businesses' active engagement in philanthropic programmes supporting civil society organisations' or businesses' support for their employees' role as activists in such organisations'.

They also state that government does not encourage the activities of civil society organisations, a perception related to the fact that they are not requested by local and national government to be involved in policy formulation (*see Chart 8*).

Chart 8. Social and Cultural Norms



The percentages indicate the share of respondents who agree or fully agree with the statement

A comparative study based on two surveys carried out on the associative and philanthropic behaviour of Romanians investigated opinions about the relationship between civil society and the state, and the support given by the state either indirectly or directly (Saulean 1999: 12). NGO members are strongly in favour of state support through fiscal facilities. Overall, those who appreciate the activity of NGOs have a positive attitude towards this type of support, while those who have a negative opinion of NGOs disagree with this option. Generally, responses indicate an orientation towards a paternalist state, which is to promote a supportive public policy towards NGOs.

It has to be mentioned that surveys have identified a large share of respondents, who are unable to define what a 'Non-Governmental Organisation' is, showing that they have difficult in identifying voluntary associations with NGOs. In 1996, 51% of the adult population did not know what an NGO was, while the rest had various perceptions. A bigger fraction, namely 58%, had no idea whether NGOs exist in the respondents' locality. Forty-nine percent were familiar with the term 'Non-Governmental Organisation' and were also able to define it. The ratio of those who were not able to attach any meaning to the term decreased in the next year by 5%. This slow progress in popularity of the term could be due to intense media campaigns through which CSOs have felt in corpore victims under the public crusade of media against the fiscal corruption. In 1997, the public opinion on NGOs was positive for 40% of respondents, and negative for almost 22%. Thirty-seven percent of the population believed that NGOs undertake public utility activities, whereas 24% perceived these activities as private benefit. Thus, CSOs substantially gained awareness and trust of the Romanian public but much effort is still required to deepen their support .

According to a more recent survey (IMAS, 2000) only 26% of Romanians trust NGOs, compared for example, to 70% trusting the mass media or almost 90% the church. The numbers for the state were lower, with the government receiving a confidence rating of 23% and the parliament 16.6%; local administration is trusted significantly more by the people (54%). Private enterprises scored 37.6% and unions almost 42%.

“Civic spirit is not respected.”

“An awareness of the volunteering role is needed.”

“The lack of support from the government produces mistrust, and this causes people to refuse to associate, based on the belief that this cannot solve anything.”

“NGOs are not powerful enough to be considered an alternative and the state generally disapproves of their initiatives.”

“More often, the state, public administration and businesses tolerate and support those organisations that serve their interests. Co-operation for solving problems is based on personal relations between different leaders.”

“Politicians still impose their rules where they want.”

“Outside the Capital, they do have access to legislative forums, mediated by the local offices of members of parliament but they cannot realise an amendment without the support from a political party.”

Public and private institution relations to NGOs mirror the prevailing social norms. The public spiritedness is not highly appreciated as a positive trait in society, as indicated by the respondents. Only 38% admit that a full appreciation is given to this trait in society. Only 23% appreciate that a citizen who joins a CSO is respected for his actions. This may reflect the high expectations of respondents towards what they consider indirectly is valued as their individual work and contribution.

However, according to the surveys on the associative and philanthropic behaviour of Romanians, when facing a problem, the strategy of collective action proves to prevail over individual action among the Romanians. When asked what option would they would chose when facing a problem, 73% showed their disposition to act together with others, compared to 16% which would prefer to act on their own. Based on the strategy of civic action, two specific aggregation indicators were built to measure the two behaviours according to the status variables: the ‘actional’ collectivism and the ‘actional’ individualism.

Overall, the collective option prevails over the individual. More than half of the proponents of the collective strategy of action (54%) would rather request a common audience, one in four (26%) would approach NGOs in order to get the help they need and 13% would approach the newspapers.

In order to strengthen voluntary action by Romanians, a first law on volunteering was drafted and recently adopted by the Romanian Parliament. The new normative act regulates the promotion and facilitation of Romanian citizen participation to volunteer actions in the spirit of civic participation. The law attempts to give a legal definition of volunteering as ‘the activity of public interest undertaken by individuals called volunteers, acting within a legal relationship, other than the labour law relationship or paid civil law relationship’. The law does not restrict fields of activity for voluntary action. Voluntary action can be undertaken by public or private non-profit legal persons, but there is one aspect to be emphasised about the new regulation: the law only regulates volunteering of Romanian citizens. The establishment of a legal framework provides volunteers with a clear status, facilitates the usage of volunteer input by allowing organisations to cover certain expenses (such as travel, per diem and accommodation costs), and enables the organisations to develop and implement internal policies that allow for the management of volunteers.

Positive changes of the legal framework in which CSOs operate have brought a new perspective on the future development of the sector. The new ordinance on associations and foundations facilitates the establishment of CSOs and extends the possibility to carry out economic activities to foundations, which were excluded by the previous law. The public utility status which can be obtained upon the fulfilment of certain requirements, will enable organisations to receive concessions on public services on a non-commercial basis and will give them the preferential right to obtain resources from the central or local public administration.

The adoption of the volunteering law will increase the participation of volunteers, which already are an important resource for the sector. The fiscal framework, despite relatively recent positive modifications, is still not favourable for corporate giving to CSOs. The specific fiscal regulations are as applicable to CSOs as to any other legal person. They benefit only from certain facilities due to their community character.

Values

The indicators that form this dimension are values represented and propagated by CSOs in wider society and the norms and actions, which characterise their internal function.

Cultural Values

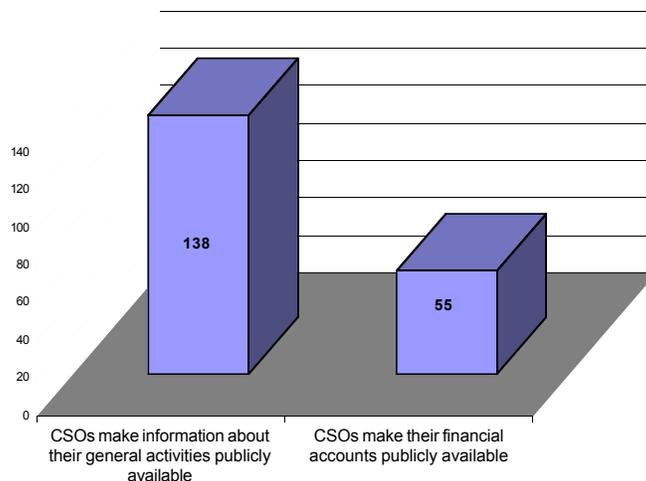
The survey results identify the commitment toward human rights and related issues as a strong point of organisations. Ethnic, political and cultural differences do not represent sources of conflict within civil society. CSOs do not encourage conflict between different cultural and religious groups and do not tolerate racism.

The above findings are supported by previous research carried out by CSDF (NGO Leaders' Survey, 1999) showing that religious and ethnic conflicts are not considered an important issue for Romanian society.

One of the most important characteristics shared by associations and foundations in this field is their goal to preserve and foster the identity of specific cultural groups. A total of 102 organisations are dedicated to promoting minority rights, of which 60 are focusing on Hungarian minority rights, the largest minority in Romania. Such organisations also develop activities in broader fields such as agriculture, social work or health care. Along with the minority organisations, there are also inter-ethnic organisations, open to different ethnic groups and to their common problems, organisations that have a positive role in preventing possible conflict situations. They draw the local public authorities into much-needed dialogue and promote inter-cultural values.

Although ethnic minorities' representatives attach most frequently an ethnic sense to the term 'community', they also declare their cultural openness. There is also a remarkable trend to speak more about 'citizenship' instead of 'ethnicity'.

Chart 9. Public transparency of CSOs



The percentages indicate the share of respondent who agree or fully agree with the statement

Transparency and Accountability

A critical issue seems to be that of accountability according to the NGO Leaders' Survey. The recent attention paid to the issue of accountability was not due to external pressure but rather as an internal initiative – possibly an application of knowledge acquired during non-profit sector training sessions.

“They should involve more in community life, in activities of support for it and in the promotion of values.”

“There is a discrepancy between what NGOs state and what they actually do.”

“Organisations have a important role in changing mentalities.”

According to the stakeholder survey, CSOs provide information on their activities to the general public, but information on their financial status is much less available. The lack of financial transparency is a critical aspect of CSOs, which therefore needs to be strengthened. Almost a half of respondents consider that CSOs do not make information about their financial status publicly available (see Chart 9).

CSOs ensure accountability to donors but less so to the communities they serve. The organisations raising money locally or understanding the long-term strategic importance of building the trust of the local community are the ones exhibiting strong openness and transparency.

CSOs are mostly democratic in their internal structures and management and show a strong commitment towards human rights and the promotion of co-operation and tolerance between different political, ethnic, religious, or cultural groups and equal opportunities. As the results of the stakeholder survey showed, the most critical challenge they face is related to ensuring financial transparency and accountability within their operations.

Impact

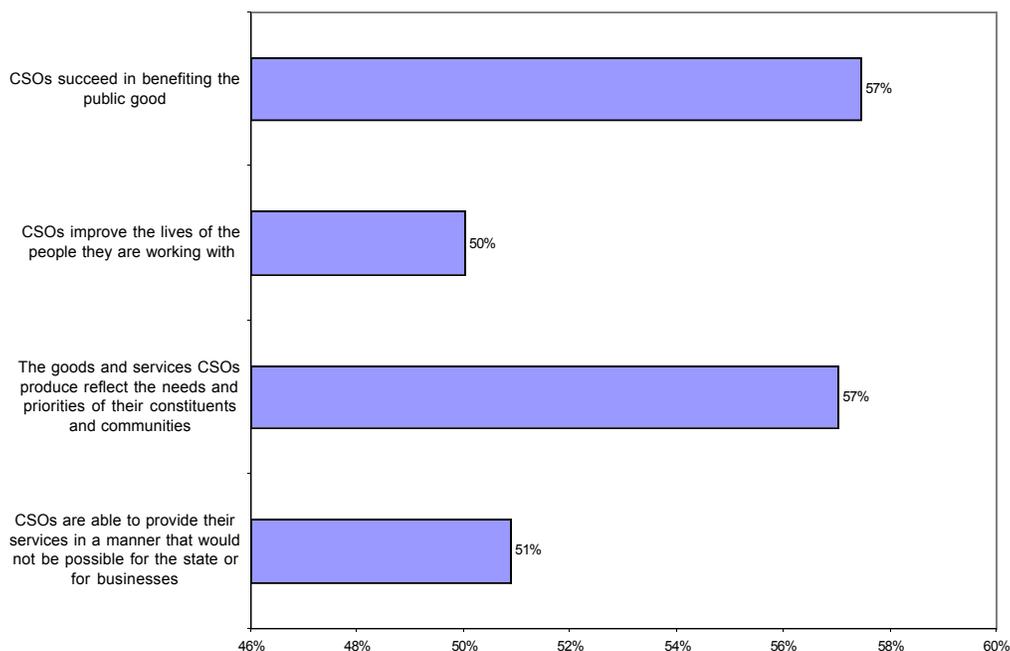
Within this section we examine the contributions made by CSOs in solving specific economic, social and political problems, and, at the role of civil society in the public policy process. The strengths of civil society are to be found in the provision of services to the public and to their clients/members, in their capacity to improve their beneficiaries' lives and to attract media attention to their mission.

Service Impact

The results of an impact analysis carried out in the framework of the Johns Hopkins Comparative Nonprofit Sector Project indicated that the service role is the most common contribution that non-profit organisations are expected to make. They are expected to provide collective goods and services such as education, social services and health, and even economic development, culture and recreation and housing (Salamon, Hems & Chinnock 2000: 15). According to the analysis, Romanian NGOs are expected to be the primary service providers, filling the gaps left by government. The stakeholder survey respondents generally consider that the goods and services organisations offer reflect the needs and priorities of their constituents and communities and confirmed that organisations are successful in their work for the public benefit. These results point to the sensitivity of the Romanian CSOs to community needs. This was associated with flexibility and adaptability and their responsiveness.

Half of the stakeholders survey respondents believe that CSOs are able to provide their services in a manner that would not be possible for the state or for businesses (see Chart 10). This result is confirmed by the impact analysis, according to which CSO services in Romania are expected to be of higher quality than those of the state.

Chart 10. The Service Role of Civil Society Organisations



The percentages indicate the share of respondents who agree or fully agree with the statement

Public Profile

Half of the respondents believe that CSOs have the capacity to attract media attention to raise awareness about their organisation. However, 21% of respondents consider that CSOs do not have a positive public image (see Chart 11). In the USAID NGO Sustainability Index 2000 the public image of NGOs is receives a mid-range ranking, which can also be seen as a consequence of a media campaign during 1998-1999, exposing NGOs engaged in fiscal corruption. Over the past year, NGOs have been raising awareness on large public interest issues including corruption, domestic violence and employment and have enjoyed positive media coverage. The relationship with the press is often evaluated as excellent at a local level, while at the national level, NGOs are rarely able to get substantial positive media attention.

Chart 11. The Public Profile

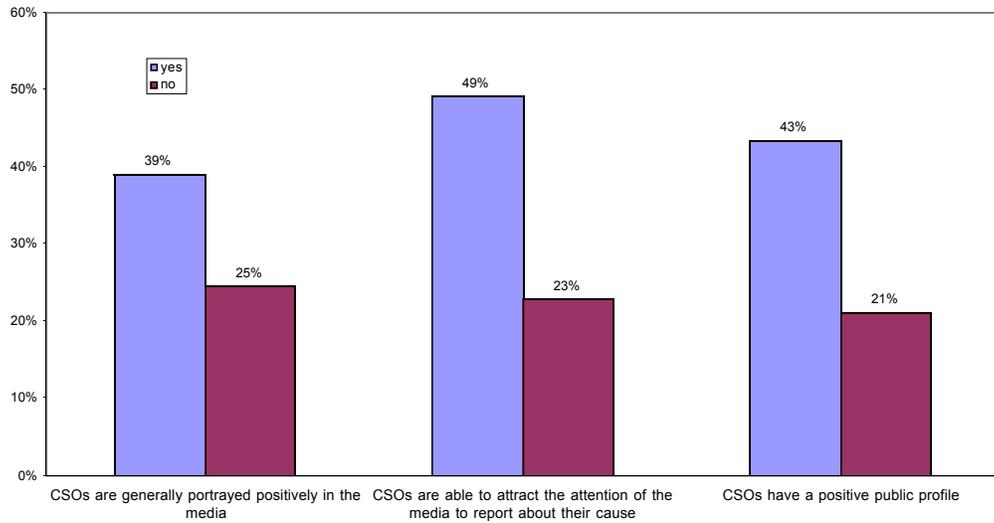
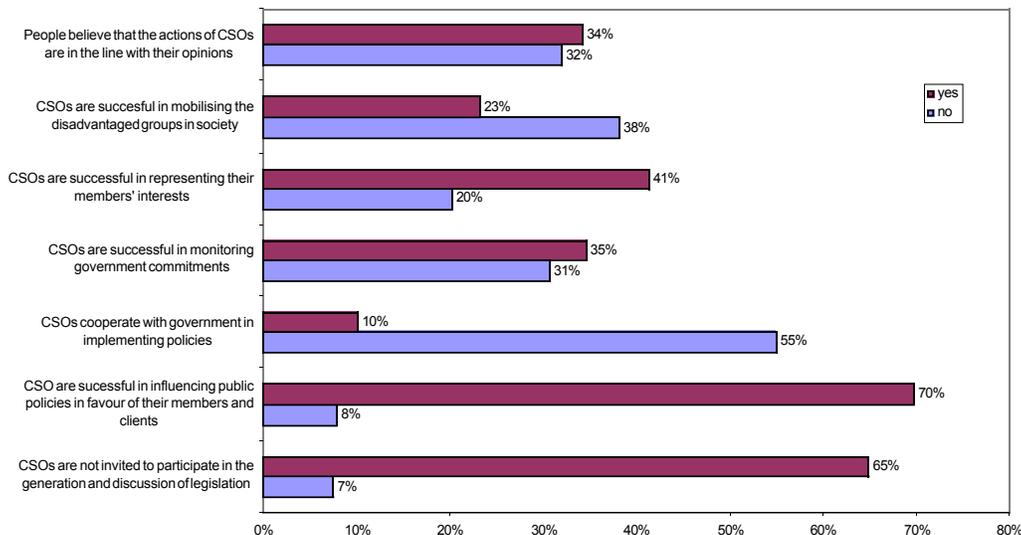


Chart 12. The Role of CSOs in Public Policy Elaboration



Public Policy Impact

The indicators referring to the role of civil society in public policy elaboration have generally low scores.

CSOs are not regularly invited to participate in the generation and discussion of legislation (see Chart 12). This aspect confirms the finding of the space dimension analysis: CSOs are not requested by local and national government to be involved in policy formulation and they do not have a good access to the legislature to put their point of view.

CSOs are not able to successfully influence government policies in favour of their constituents. In exchange, they seem to co-operate more successfully with public authorities in the implementation of public policies. This indicator reflects CSOs willingness to collaborate with the government in the development of concrete projects.

“Incomplete legislation and the lack of funds make it impossible for CSOs to become partners in negotiations concerning legislation; the disadvantaged groups are not aware of the importance of their participation in public life due to their precarious economic and social status.”

“NGO activities will have a good impact when there are powerful centres which co-operate, and are not dependent on the state and different interest groups”.

These results suggest that organisations have a limited capacity to influence public policy. This points to a discrepancy between the capacity of organisations to meet the needs of their members, clients, or communities and the capacity to promote their beneficiaries' interests by influencing public policy.

This hardly means they are less concerned with promotion of their clients' interests and priorities, or that there is little need for the development of activities other than services. On the contrary, a large percentage of respondents state that CSOs are successful in representing their members and clients' interests and in placing them on the public agenda (41%). The discrepancy is related to the weak capacity CSOs have to influence decision-makers. The poor level of institutional development, related to the low level of funding, their weak economic capacity and a certain reluctance of public authorities towards dialoguing with civil society are some of the factors, which account for this situation.

In spite of these difficulties, there are some concrete results achieved by CSOs placing issues such as human rights, as well as civil and political rights defence on the public agenda. Consulting on certain issues, carrying out lobbying campaigns related to monitoring of elections or the amendment of the sponsorship law through the use of coalitions are successful examples of actions undertaken in the field by CSOs. A shared view among the CSO leaders is that NGO forums as well as coalition building represent an effective framework for representing the sector's common interests to the government. Still the process in its early stages of development and needs to be encouraged by public and private donors.

Another role which CSOs are expected to play is related to community building as membership-based organisations are not well represented in Romania, with the exception of professional associations and trade unions.

The CSO contribution in solving specific social and economic problems is much stronger than their role in the public policy process. While they prove capable to promote their members and clients' interests and they even place them on the public agenda, they are not able to successfully influence the government policies and decision-makers in favour of their constituents. Despite their achievements, high expectations exist in relation to their advocacy role. It is increasingly accepted that Romanian CSOs should promote new patterns of behaviour, which are linked to democratic values, thus generating social change and promoting democratisation.

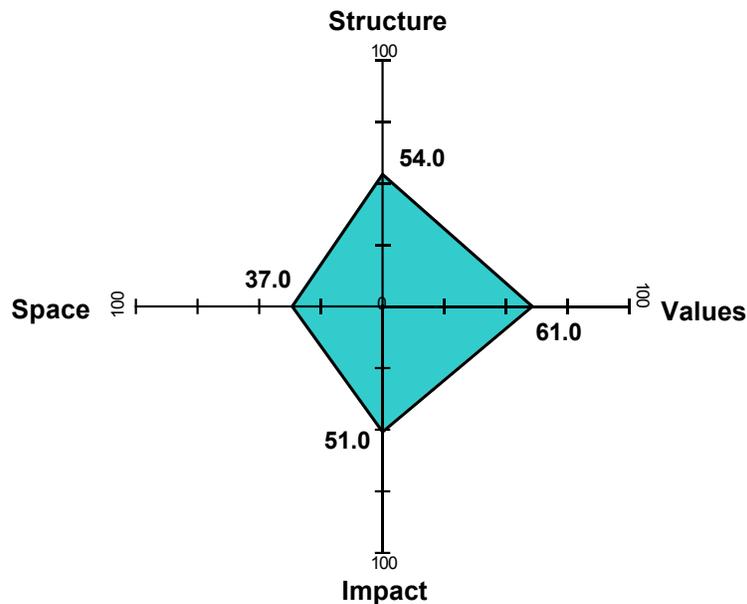
Part V

The National Goal and Agenda-Setting Workshop

Revised Status Diamond

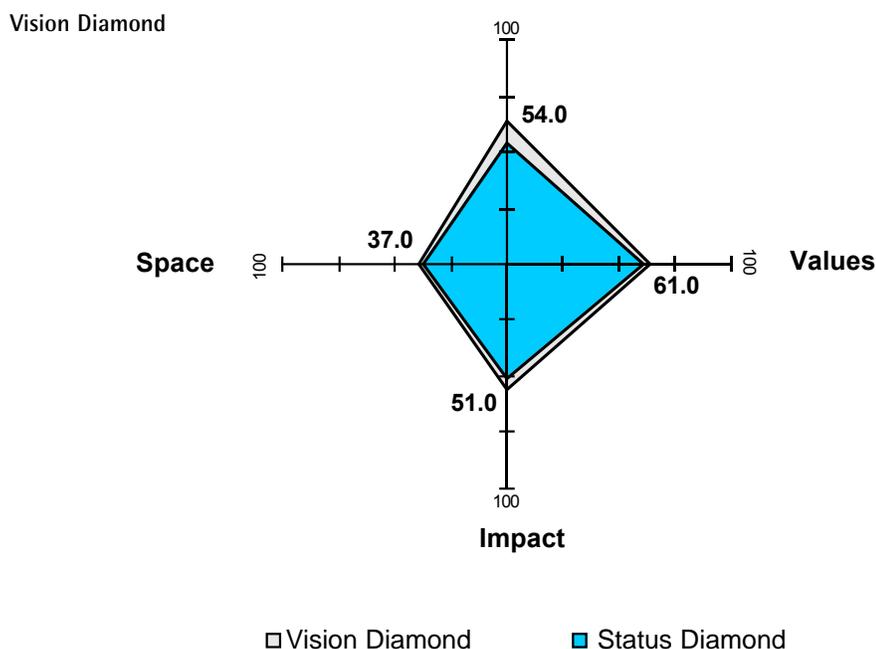
During the workshop, participants discussed the survey results and some scores were slightly lowered, indicating strong commitment to depict a clear realistic picture of civil society; albeit slightly less positive (see the Status Diamond). Participants critically evaluated the emerging issues to build premises for developing sustainable action plans to improve the status of civil society.

The Status Diamond



Vision and Agenda Setting

Participants discussed each indicator separately exploring different ways for improving and raising the score on the respective dimension. These efforts lead to a complex action plan addressing different stakeholders. Regarding the values dimension, participants decided not to aim for an increase in the Diamond score as a change in values is not likely to occur within a limited time span of two years.



Structure

An agenda was established for the entire set of indicators proposed under this dimension. The group identified a set of overall objectives for the future based on the current indicators. Participants prioritised the need for increased information, communication, motivation, and professionalism within the sector, concluding that establishing umbrella structures or networks of organisations is the way forward.

Establishing more umbrella structures or networks of organisations

The participants agreed unanimously that federal structures represent the best model to improve the efficiency of communication channels. The participants defined these structures as fee-based horizontal networks, with organisational membership. In addition, a proposal was made to set up a bureau to deal with the information between civil society organisations and other social actors. This mechanism should ensure a better promotion of the work of small organisations, which will also help preventing the closure of their operations due to a lack of funds; moreover it will enhance the possibilities for alliance-building. Federations may be regional or sectoral. It was specifically mentioned that these structures must function on the basis of by-laws, which will prevent top-down structures, selfish interests, and encourage active participation of members.

Increase the information available on civil society's activities

In order to improve the information available on civil society's activities, information channels and clearing-houses should tackle problems related to:

- the absence of active membership in organisations
- the identification of the potential members;
- increasing the number of volunteers

- promoting the common interests of the sector
- collaborating with other organisations and other social structures
- funding
- improving their response to the needs of Romanian civil society

The participants agreed that the sharing of information, communication, motivation and professionalism should be pursued both at the level of organisations and federal structures.

In their opinion, information and communication must be improved by encouraging the participation of members and attracting new ones, increasing the number of volunteers, developing partnerships with other social actors and ensuring transparency at an organisational level.

The main step to be taken to achieve these objectives is to set up a database, to draft specific publications to inform the public through the institutions of local administration and the mass media. Information-sharing must be followed up internally with organisations and externally with social partners, donors and the mass media.

Participants agreed to approach organisations, where they are members, to determine how to attract new members, influence social actors and focus on common interests.

Both at federal and organisational level, several means were identified to achieve this objective, such as increasing the quality of services, a more rational use of resources within organisations, increasing their public profile and promoting their good practices.

Increasing the professionalism is to be attained through effective recruitment, training, promotion and evaluation of services offered.

Space

The agenda-setting exercise identified specific actions to improve the general framework in which civil society organisations operate and their relationship with stakeholders.

A number of projects involving the introduction of regulations and amendments to existing regulations were proposed for discussion with the Chamber of Deputies. Their objectives were to make clarify the new framework legislation for NGOs (O.G. 26 / 2000) and to provide favourable fiscal environment for NGOs and donors to encourage corporate sponsorship and philanthropy.

Special attention was given to monitoring the activity of political parties and ensuring transparency of funding sources for political campaigns.

The intermediate institutions established to sustain the relationship between civil society organisations and government should be supported and strengthened and clear provisions to ensure consultation between decision-makers and CSOs should be developed.

A way to improve the public perception of civil society organisations, thus encouraging citizen participation and philanthropy is to promote CSO best practices.

Values

All the indicators included in the values dimension were addressed by the participants at the workshop with a view to determine how they could be improved in the near future. Specific sets of actions were designed for each of the indicators, e.g. promoting a code of ethics, monitoring public policies, networking between CSOs, producing publications, approaching mass media, instituting training courses, building intra-sectoral partnerships, establishing public campaigns, developing sectoral forums and designing web sites.

Participants insisted on the need to increase the financial transparency, an issue identified as the main weakness of Romanian NGOs.

The following types of actions were proposed:

- establish an ethical code that includes a commitment to provide financial information;
- publish annual reports;
- design a web page to host financial reports of different NGOs;
- design a methodology for compiling financial reports;
- compile and distribute national statistics regarding funds raised by Romanian NGOs;
- publish national reports that raise awareness of regional peculiarities.

These actions may be co-ordinated by GIR (Group for the Implementation of the Forum Resolutions).

Impact

The institutionalisation of the relationship between civil society organisations and the local and central public administration.

It is necessary to raise the awareness of all decision-makers dealing with civil society related issues or heading sectors in which NGOs are active. The participants pleaded for the establishment of an institutionalised relationship between CSOs and local and central public administration. Specialised departments within central and local government bodies that deal specifically with CSOs would form the institutional framework for this relationship. Where these departments do not exist, efforts should be made to set them up and where they do exist they should be consolidated. The institutional strengthening of the relationship with decision-makers was thus seen as an important way to increase the impact of CSOs on the public policy process.

Public Image of CSOs

Specific objectives were set up for improving the public image of CSOs.

This could be tackled through improved public relations and direct social marketing. Several modalities were proposed to reach this objective:

- increasing the investment in creating a positive public image of organisations and programmes that they carry out;
- fighting against the negative public image through joint and individual actions;
- increasing the civic participation through encouraging the participation of organisations in CSO events and activities;
- promoting the image of organisations as institutions playing a service role;
- creating messages for the public which encourage a two-way relationship with the public and its feed-back and/or direct participation.

In addition the sector should develop its relationship with mass media through constant contact, building personal relationships and information sharing with the media.

Building Viable Models to Satisfy the Needs of Citizens

As for the service providing organisations, the objective set was to build viable models to satisfy the needs of citizens.

Several ways were proposed to attain the objective:

- Gaining a better understanding of the needs of the citizens by carrying out more frequently assessments of their needs;
- Elaborating mid-and long-terms strategies;
- Setting up community networks which include all stakeholders (organisations, local and central institutions of public administration);
- Consulting and negotiating with the grant-making organisations to finance these models.

Other factors considered to strengthen civil society's impact are increasing the expertise, competency and managerial capacity of civil society organisations, accompanied by the continuing development of human resources.

In addition civil society should continue to approach issues of general interest, and the representative structures of CSO sector should intensify their efforts for a better sectoral representation.. Thus issues identified by a group of organisations active in a certain field could be further integrated at the level of the CSO sector. This would increase the accountability and cohesion of involved parties.

Part VI

Conclusion-Consolidating Civil Society

Intra-Sectoral and Inter-Sectoral Co-operation

A key finding of the project was the need for CSOs to better know each other, co-operate and to establish partnerships within a formal framework. This will assist in strengthening the co-operation with government and the business sector. Commercial companies are seen mostly as potential donors while government institutions are looked upon for other facilities (facilitating access to resources, attracting mass media etc.).

The focus on building and consolidating infrastructure should take into account the ultimate beneficiaries of the activities of CSOs. Thus, healthier organisations will trigger visible progress in society.

Participants debated the following possible frameworks for relations between CSOs and their stakeholders:

- **Partnership.** Partnerships are considered to facilitate development of diversified and complex activities offering a framework for combining resources and taking advantage of common experiences. The principle for partnership is complementary relation.
- **Forums.** The National NGO Forum (through its Group for Implementing Resolutions) is expected to represent and mobilise organisations as well as offering models and standards for the activity of NGOs. Sectoral and regional forums are also important for exchanging information and experiences.
- **Federations.** Federalisation is related to the concept of 'unity'. This issue is on the agenda of many meetings and debates that engage organisations. It provides a balance between the lack of trust toward hierarchies and centralisation on one hand and the need for representation and a common voice, on the other. Participants agreed especially on the clustering of sectors and limited programme-based co-operation. However, federalisation is seen to respond to the need for greater public awareness and credibility and to facilitate the development of long term projects.
- **International co-operation.** Whilst not a priority, international co-operation is worth considering for accessing funds and the transfer of skills.

Accountability

The discussions revealed that CSOs should take responsibility for the use of funds and the transparency of their activities.

Organisations have to make available information on how funds were used in order to meet proposed objectives. They should be open to monitoring and control in order to build a positive image and credibility from a stakeholder perspective. More than allowing control, it was considered necessary that CSOs take the initiative to publish annual reports, launch press releases referring to their activities and accomplishments etc. A significant investment in public education will be needed along with the development of effective codes of conduct by CSOs themselves (Salamon et al. 1999: 353).

Advocacy

Advocacy and lobbying are considered essential but these initiatives are not currently co-ordinated. Activities are more obvious in particular fields like ethnic minorities' rights, social services, and consumer rights. The weaknesses in this field will be approached through supporting the idea of federalisation and sectoral clustering.

Training needs

The participants identified various areas that need training and assistance input. Special attention was given to developing capacity for organising public campaigns and managing public relations.

Financial Support

CSOs in Romania aim to secure the funds necessary to develop their activities from various sources without depending exclusively on one single source, whether it is public or private; foreign or local.

Grant-makers' policies do often not fit the specific needs of Romanian CSOs and do not cover some activities or core expenses. In this context, organisations tend to maintain their activities and do not alter their mission. It is an important finding that organisations put more emphasis on the development of their organisational capacity than on chasing funding.

Fostering closer relationships with the public sector, nationally and locally, increasing domestic government support and developing comprehensive government policies remains a key challenge, while new governmental structures embark on initiatives to strengthen collaboration. Moreover, fiscal incentives need to be expanded to further stimulate individual giving, business support, and the local development of institutional philanthropy (Salamon et al. 1999: 352-353).

The CIVICUS Index on Civil Society project proved to be an effective tool for assessing the strengths and weaknesses of CSOs in Romania enjoying wide support as an innovative initiative. It also created the framework for discussions and debate, which lead to a choice of the most appropriate course in terms of setting a realistic agenda to build a healthier civil society.

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